

Money Matters Treasurers Newsletter

January 2019

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Year end actions

A list of year end actions and a flow chart are attached at the end of this newsletter to assist with the preparation of the Annual Report and Accounts. Please do ensure that you allow sufficient time for the Independent Examination/Audit to have been completed and the accounts signed off at least a week before the APCM. Your Independent Examiner or Auditor should have a copy of the green PCC Accountability (5th Edition)¹ book to enable them to ensure the accounts are in the correct format, complying with both charity accounting and Church of England practice. If they do not have a copy, a free digital copy can be found [here](#), a kindle version can be purchased [here](#) and hard copies can be bought [online](#) or from the Church House bookshop.

Statutory Fees for Weddings and Funerals

When clergy take a wedding, funeral, burial or cremation service there is a Statutory Fee to be charged. The level of fees is set annually by General Synod. Fees are paid to the PCC and most will include a PCC element and a part that is due to the Diocese (described as the DBF fee on the chart of fees). The diocesan element should be paid quarterly to the London Diocesan Fund using a Diocesan Fees Return Form which can be found [here](#).^{*} Please ensure that all the 2018 Diocesan Fees are paid to the London Diocesan Fund by the end of this month.

¹ The Archbishops' Council, *PCC Accountability: The Charities Act 2011 and the PCC, 5th Edition Incorporating SORP* (London: Church House Publishing, 2017).

For a breakdown of the 2018 fees please see the [Church of England website](#). If you have not had any applicable services within the previous quarter a “nil return” copy of the form should be submitted. The 2019 tables are available [here](#).

*In the previous newsletter this link led to an incorrect page on the Diocesan website. Please accept our apologies for the inconvenience. The issue has now been corrected.

Church Insurance

There are two main companies providing buildings and contents insurance for churches. When you are due to renew your insurance it may well be worth getting a quotation from both of them. These companies, which both offer policies specifically for churches, are:

[Ecclesiastical Insurance](#)

[Trinitas](#)

There is a helpful insurance buying guide on the Parish Buying [website](#) looking at what you need to consider when deciding on appropriate insurance.

Online Version of Finance Coordinator Now Available

In the November newsletter we had an overview of cloud-based accounting software. One of these was My Fund Accounting which is an online, cloud-based version of the Finance Coordinator package used by a number of parishes within the Diocese. At the time of writing a launch date for this software had not been provided however we can now confirm that the full package will be available from Monday 21st January.

[MyFundAccounting.Online](#)

This is a brand-new program based on Finance Coordinator. Data Developments, the company which runs the software, is offering all existing Finance Coordinator users the chance to switch to the new online software for free. Additionally, they have said that anyone who has recently purchased or is currently buying Finance Coordinator will be able to use the purchase price for the Finance Coordinator package as credit against the £15pcm cost of My Fund Accounting. Please note that Data Developments are continuing to offer Finance Coordinator and churches are not required to switch if they don't want to.

If you wish to try the software before committing to a purchase you can have a go on the free trial version by logging in [here](#) using “hopechurch” as both the user ID and password. You can also find additional detail about My Fund Accounting [here](#).

Church Policies Checklist

John Truscott is a church consultant who also provides a [website](#) with professional guidance for churches. The website is well worth a look as it provides a wealth of resources for church management.

He has recently launched a new piece of guidance on church policies called [A Church Policies Checklist](#). Below is an overview of the guidance taken from his synopsis and anyone looking for guidance with these policies may find this information useful in providing a list of topics to include within each policy.

“Churches, like other organisations, now need to demonstrate that they hold and maintain a range of policies – and the list is growing. These Notes provide a checklist of possible policies and procedures (the difference is explained) with some idea of which are essential, and which are merely prudent. There are also weblinks to other websites where you can find help, and references to all the items on my website which deal with the various topics covered.

The policies are listed under the following headings.

1. Essentials – which gives a first and second priority listing of policies you cannot afford to ignore
2. Governance – a listing of foundational documents, general governance, conduct of meetings and policy of policies
3. Staffing – equal opportunities, staff employment policy, volunteers’ management and lone working
4. Health and safety – including fire safety, food hygiene and various risk assessments
5. Safeguarding – including child protection and vulnerable adults
6. Finance – financial and accounting policies
7. Communications – data protection and communication
8. Other policies – including environmental, fair trade, confidentiality, rooms hire, trading.”

Contact Details for the Area Finance Advisers

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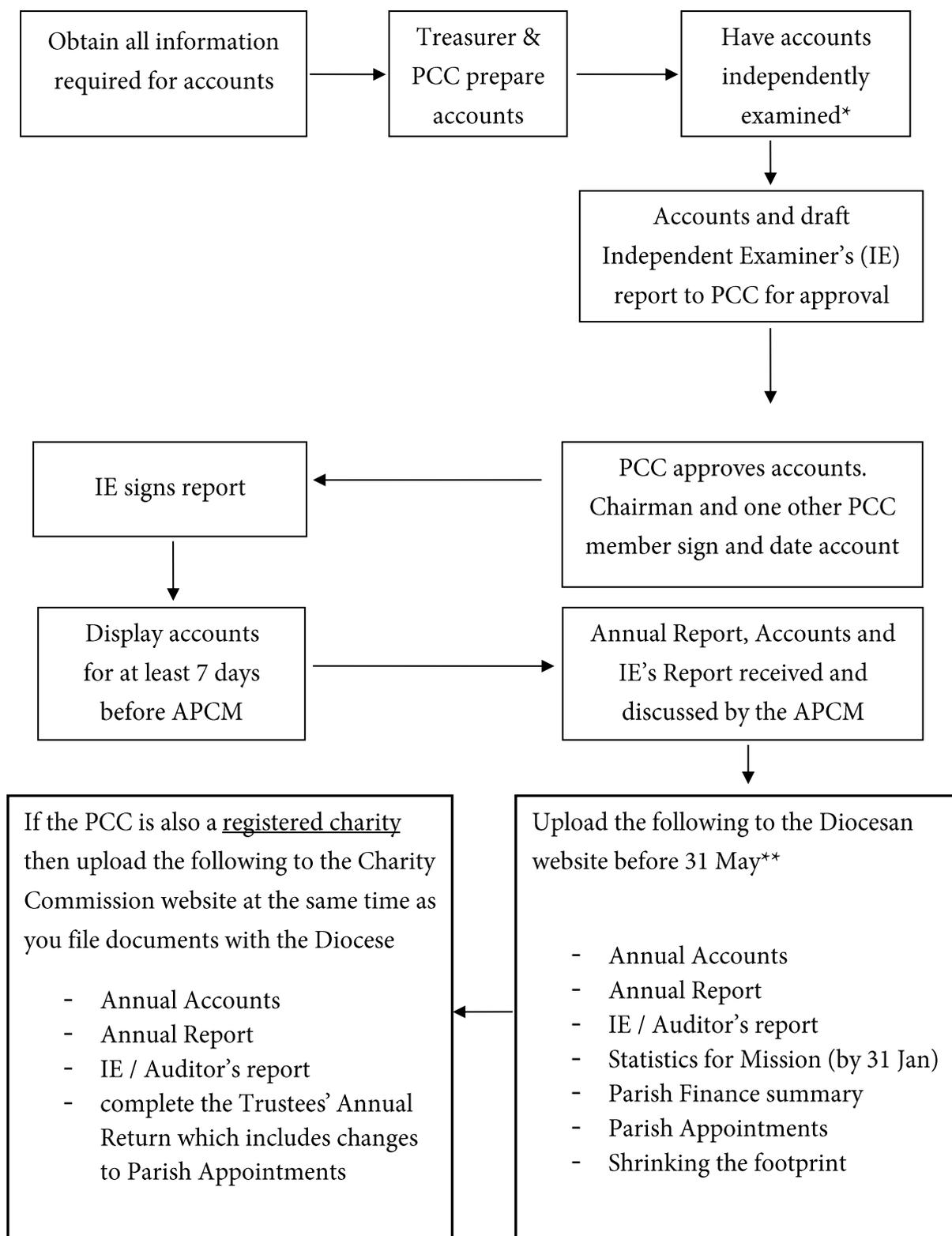
Appendix 1: Year End Finance Actions

(Adapted from a Data Developments newsletter)

1. Check that the previous Annual Parochial Church Meeting appointed an Independent Examiner/Auditor - if not the PCC will need to do so urgently, and have the appointment ratified at the next APCM.
2. Fix a date for the APCM (If you haven't already done this)
3. Agree a timescale with your Examiner - fix a date for when you will have the figures ready, and agree how long they will require to complete the work.
Note - if the Independent Examination / Audit has not been completed in time for the Annual meeting, then technically the meeting should be adjourned (when other issues have been covered) and reconvened when the Examined Accounts are available.
4. Make sure that all the relevant bank statements have been received.
5. Check that you have downloaded the latest version of your accounting software.
6. If you prepared the previous year's accounts, (if applicable) find the notes that you made of things such as rates of depreciation on assets, update your asset register.
7. If you are preparing accruals accounts, check for prepaid items that will have to be adjusted in the accounts, and also for accrued creditors. Have you received all outstanding invoices? Have you included a provisional figure for the Examiner's fee? Have you brought in HMRC as a debtor for Gift Aid tax recovery?
8. If you have associate treasurers, agree a date with them for when they will have their records available. In churches this could be the hall committee, or the Flower Guild, or one of the many other groups that are part of the overall church.
9. Clear all payments due to third parties (i.e. *Agency Funds*, e.g. the Diocesans from weddings and funerals; Christian Aid Week collections etc.) the Charity Commission likes to see that all money collected on behalf of third parties is paid over as soon as possible.
10. Make arrangements for the Annual Report to be written; this may involve a number of people, not just the treasurer or the Vicar. As the report is written on behalf of all the trustees, the workload should be shared.
11. Arrange a date for a PCC meeting prior to the APCM (allowing for point 12 below), when it can formally approve the report and accounts. Confirmation of this approval should be shown on the balance sheet e.g. "These accounts were approved by the trustees on dd/mm/yyyy", and signed by the chairman on the trustee's behalf.
12. Church of England rules require that accounts are displayed for at least seven days before the date of the annual meeting.
13. Arrange for accounts to be duplicated. Any member of the public is entitled to ask for a copy, although reasonable costs of duplication may be charged.

14. Once the accounts are finished file them with the Diocese (an online facility is available). The diocesan deadline is 31st May. If the PCC is also registered with the Charity Commission then remember to file a copy with them too.
15. If you use accounting software please **do not run any year end procedure** until the accounts have been examined and approved, or your data will be locked and unchangeable!
16. If your income has exceeded £100,000 and you are not yet registered with the Charity Commission you will now need to do so.

Annual Accounts Flowchart



*or audited if appropriate

**The APCM must be held by 30 April