



FINANCIAL POLICIES AND INTERNAL CONTROLS

INTRODUCTION

The treasurer and the board of trustees has a responsibility to ensure sound financial management including the proper use of all available resources and, above all to ensure that our master (Jesus Christ) affairs are kept in good order. This policy is for ACCOUNTABILITY, EFFECTIVENESS and EFFICIENCY within RMC AOG finances. The policy has also been written based on the recommendation and guidelines from Assemblies of God UK and charity commission.

MONEY RECEIVED AND PAYMENTS

All money/funds received should be counted by 2 people. Funds must be evidenced by some form of documentation, which shows how they originated. . All money received should be banked within 5 working days and should be banked gross without any deductions being made. All transactions should go through the bank. Payments should be supported by receipts and claim form should be filled in.

PETTY CASH will be used for small payments and this should be funded by cash drawing from the bank. - £100.00

CHEQUE AND PAYING IN BOOKS

Cheque book will be kept by a board of trustee who is not a signatory or must be kept in a locked cupboard depending on how safe the environment is. The treasurer will keep paying in books.

SIGNING OF CHEQUES

The board of Trustees will be signing the cheques. The Trustee Treasurer whenever available should be the one to sign with another trustee [the purpose is for advisory of funds]. In the event of holidays the treasurer should ensure that all necessary cheques has been signed and all bills paid before departure. If all trustees are on holidays then the allocation of signatory of cheques should be extended to non-trustee members to sign.

BUDGETING

Churches are advised to prepare financial plans and work within agreed budget, the Board of Trustees will be the authorising body who will approve all budgets. Actual performance should be compared against those budgets regularly, both to ensure that funds are not stretched beyond their limit; budgets should be in written statement of aim and objectives->expressed in money. In the preparation of approving budget it will be necessary to realistically assess probable outgoings over the budget period as well as probable income over the period and the way it will be obtained.

Luke 14:28-30 might seem to be thoroughly. Good summary of BUDGETING: "For which of you, desiring to build a tower, does not first sit down and count the cost, whether he has enough to complete it? Otherwise when he has laid a foundation and is not able to finish, all who see it will begin to mock him saying "This man began to build and was not able to finish"

The trustee treasurer in particular should use in the exercise of stewardship to ensure there are or will be sufficient money for particular budgets. Trustees exercising their

judgment and responsibility of approving budget must also ensure good budgeting that will help in proclaiming the gospel and mission advancement.

UNBUDGETED WORKS

In situations where budgets has not been drawn, the Trustee Treasurer and the Pastor (chair of Trustees) can approve up to £500 pounds in money. Any funds above this amount should be budgeted and be approved by the Board of Trustees.

FINANCIAL REPORTS

The treasurer should present to the board of Trustees a full report every 3 months (Quarterly) during every trustees meeting. Summary of bank statements should also be presented at meetings.

BUILDING FUNDS (Kingdom Bank)

Building fund should be signed by all signatories in the event of acquisition of a church building and must be approved for such purposes by all the Board of Trustees

In summary, for good practise trustees should review the system of internal controls on a regular basis at least every year, Board of Trustees must take responsible care to ensure the prevention and/or detection of attempted fraud, financial abuse and any other irregularities.