

## Treasurer Training

### **THE STARTING POINT**

1 Ensure copies of all books and financial documents:

Bank Statements

Cheque book

Paying-in book

Ledger or computer spread-sheet

Information about any other bank accounts (e.g. the Sunday School)

List of members and their contributions

The chapel's most recent annual reports

2 Is there anyone else who undertakes some of the treasurer's responsibilities (e.g. financial secretary)? Are you clear on what they're doing and what you need to do?

3 Decide on how you're going to maintain the accounts, in a ledger, or on a computer as a *spread-sheet*. A new proforma is available from Andy Britten the Financial Officer in Cardiff.

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### **THE TASKS OF THE CHAPEL TREASURER**

1 Maintaining the chapel's bank accounts. Usually there will be a current account and a back-up account. It is possible that there will be other specific accounts as well. The treasurers of other groups within the church (Sunday School; Literary Society etc.) may have other accounts to administrate. You shall need to collect data surrounding these accounts, and create a group balance sheet at the end of the year.

2 Receiving collections. Note what is received in the accounts. Balance the books.

3 Make note of the funds received on Sunday nights, or whenever they are received, on paper. At the earliest opportunity, transfer that information to the accounts.

4 Banking money – weekly normally.

5 Paying preachers and every bill. Payments should be made through cheques and not cash in order to maintain proof of payment. It is good practice for 2 people to sign each cheque.

6 Keep a copy of each bill and payment for 7 years, for the purposes of HMRC.

7 Make payments towards the 'Connexion Contribution' to Cardiff every quarter. This can be made through a Standing Order with the Bank or by cheque.

8 Minister Costs. Usually a yearly sum is agreed upon, to be shared between the pastorate's churches. Every church will pay their contribution into the 'Central Pastorate Fund' monthly (through standing order or by cheque). The standing order shall then be paid monthly to the minister from that fund.

9 Every 3-4 month, the books should be balanced, ensuring the money is correct.

10 After Thanksgiving, in the autumn, send a letter to each member saying

- How much they have paid to the Chapel that year
- What is the expectation on each member
- Date of the closing of the books

Also persuade and thank each member for paying their membership fee on time. But remember that it is not your role to chase late contributions – this responsibility is to be shared amongst elders.

11 You shall attempt to close the books by the end of December. 119 Make note of the chapel's statistics for the presbytery on the appropriate form.

12 New members. Give information (appropriate forms) to new members in order to

- Set up a standing order to the Chapel
- Form to sign to provide Gift Aid to the Chapel when applicable.

13 Gift Aid – Gift aid can mean 20% extra on top of a contribution, and can be a significant income for a church. But of course, not everyone pays taxes, and therefore eligible for the scheme.

The needs are, simply for

- the member to complete the appropriate form and give it to the treasurer who keeps the form.
- the treasurer to make an annual application to the HMRC for repayment (form available online).
- repayments can also be made on cash collections noted in the accounts, (Form online).

14 Give an annual report in an elders meeting, drawing attention to any shortfall or issue in plenty of time.

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## **INVERSTMENT AND BANK ACCOUNTS**

1 Usually you will have a

- Current Account
- Back-up Account

Possibly other specific groups e.g. the Sunday School, Women's Society, Literary Society and Graveyard will have their own accounts. Every treasurer will need to present his accounts for the 'Inspection'.

2 Investments – the Chapel might possibly have investments e.g. War Stock; Bonds etc. which gives the chapel income.

3 If you have money that needs to be invested (e.g. a significant contribution to the chapel) it can be sent to the Cardiff Investment Fund. This offers a slightly better interest rate than usual. You shall receive annual interest from Cardiff. Through use of this Fund you reduce the responsibility and personal risk of investing on behalf of the chapel.

4 Will – You could receive money through a will. The exact wording of the will is important. It could be money towards

- 'The Presbyterian Church of Wales' – therefore it will go to Cardiff to be invested for the benefit of your chapel
- your specific chapel, therefore the money shall be kept locally

5 Investments must be 'Ethical' (no investments in arms, alcohol, tobacco, pornography, loanshark companies etc.)

6 Elders and the presbytery must be informed if you receive money through a will.

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## **CREATING A BUDGET FOR THE YEAR**

1 It is a good idea to create a budget for the year, noting every cost that is likely to rise. Also note any 'unusual costs', i.e. any significant costs that may arise e.g. Work on the building; seats or new carpet; decoration; work on a house you own.

2 The benefit of this is to let elders and the minister know what is ongoing – no financial surprises.

3 Borrowing Fund

It is possible to borrow up to 75% of significant costs from this fund through your presbytery. Loans must be repaid, but they're interest-free.

4 Permission – any expenditure over the sum of £5,000 needs permission from the Presbytery.

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## **CONNEXION CONTRIBUTION**

1 The Connexion Contribution (CC) or the 'tax' is the sum of money per head needed from each chapel in order to pay Cardiff. This currently amounts to roughly £150 per member. This money pays for

- Central costs (Pensions/ running the Connexion/ administration)
- Local contribution – sustaining the ministry

2 It is good practice to declare the expected contribution from each member for that year in the Chapel Report. This sum shall include the 'Connexion Contribution' + local costs.

3 The CC is decided in Cardiff each year around July and you will be notified of the sum in the autumn. The number of members in the chapel in June each year shall determine the Cardiff payment for the next year.

4 The CC shall fluctuate from chapel to chapel depending on whether or not you

- have a minister
- are a part of a community pastorate

5 The CC must be paid for every member over 25 years of age. No payment is required of members under the age of 25. BUT there can be frail members who aren't in a position to pay. They need to be taken into account when deciding on an expected fee. It is the Church's policy that the strong should support the weak.

6 Members who do not pay. It is common practice to remove their names from the books if they have not paid or played a part in church life for 2-3 years. This is noted in the Chapel Report, and a letter will be sent to the member beforehand to warn them of the intention to remove their name from the books, giving them an opportunity to contribute. However, this would be the decision of the elders and not the treasurer.

7 The CC is paid to Cardiff every quarter, through a Standing Order or by cheque.

8 Local Costs – This shall include all the costs of running the building and the local church – the money needed to pay the bills. Any income can be taken out of these costs (e.g. house for rent; interest)

9 If you predict a lack of money or any other financial issues, you should discuss them with your elders as soon as possible.

10 Pastorate – the local maintenance costs are shared within the pastorate. Again, the principle being that the strong support the weak. On principle, it would be expected that the larger churches shoulder most of the burden.

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**'CLOSING THE BOOKS'**

1 Aim to close the books by the end of December.

2 Acquire a bank statement for the year and ensure that your books correspond to the bank statements.

3 Collect information and statements from any other bank accounts (e.g. societies within the church). Also the church could have investments.

4 Create a balance sheet by the end of January – it is useful to have the same titles on the balance sheet as on the 'Statistic Form' from Cardiff.

5 Arrange for one or two independent people to examine the books. This would be a person with experience and the appropriate skill-set (e.g. maths teacher, banker). They could be a church member but not an elder. See the Order and Rules Handbook page 45.

You could organise an evening to come together, with treasurers from the different groups, so that you are on hand to explain anything that is unclear. Or you shall give all the books and documents to the inspector so they can complete the work in their own time.

Inspectors should be changed regularly – every 3 or 4 years.

The inspection of the books should be completed by the end of January/February.

6 Complete the Cardiff Statistics Form. The chapel secretary shall receive the form during the autumn, and it is asked that the form be completed by the end of February. The secretary shall complete parts of the form, and the treasurer shall finish the rest. After it is completed, it should be sent to the Presbytery Statistician. You may find their name and address in the Presbytery Yearbook. The presbytery statistician shall then send the forms on to the Association and then to Cardiff.

7 Chapel Report. Providing an annual report is a legal requirement. You shall work with the chapel secretary in order to provide the necessary information. A copy of the Annual Report shall be sent to the Presbytery Treasurer, usually roughly by June.

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### **Discussion Questions**

1 What are the main difficulties for a treasurer in your mind?

2 What things have you learnt since being a treasurer that would help a new treasurer?

3 Elders are eager to do work to improve the buildings. You know that there isn't much money available.

What can you offer?

4 Its October. Several members haven't contributed at all towards the chapel this year.

What steps can you take?

5 The Literary Circle's treasurer is very ill. You have not seen the bank statement for their account.

What steps would you take?

6 As a result of this session, what will you consider, or what will you do differently?

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REMEMBER

YOU ARE NOT ALONE!!

Ask for help sooner rather than later. The elders are there to help you, or the presbytery would be very willing to help you if need be.

19.7.17