



Church Finance / Administration Information

This document is produced by the Baptist Union of Victoria to assist churches in financial and other administration matters. For some churches there will not be enough information here and for others there will be too much. The idea is to point Treasurers and others handling the church finances in the right direction and to help them not to have to reinvent the wheel.

Parts are designed for you to add specific information for your church and if you would like the Word file just ask. The idea is that you have one document with a lot of useful Church Treasurer and Secretary information that you can hand on to whoever performs some or all of these tasks.

Feel free to contact the BUV Financial Services Consultant if you have any related questions.

Also, the Baptist Financial Services have funded an excellent resource that can be found on the BUV website (www.buv.com.au). Click the *Saward Dawson website* link under *Services > Finance & Admin > Treasurers Services* on their homepage (Login: *BFS*, Password *ministry316*). It is also worth looking at the other pages under *Resources* and *Services*.

If you think something is missing, incorrect or could be expressed better within this document please let us know. The *Table of Contents* is hotkeyed (run your mouse over the items to see how this works) and *Ctrl-f* is a great way to find things

A generic Church Treasurer Position Description can be found on the BUV website at <https://www.buv.com.au/resources/finance-admin/>

If you require help with anything in this document please contact:

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Church Administration Information

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Church Structure and Governance

Church Governance

The church is governed as per the Constitution of your church. The most common model is a church leadership that oversees management/pastor and ratifies policy.

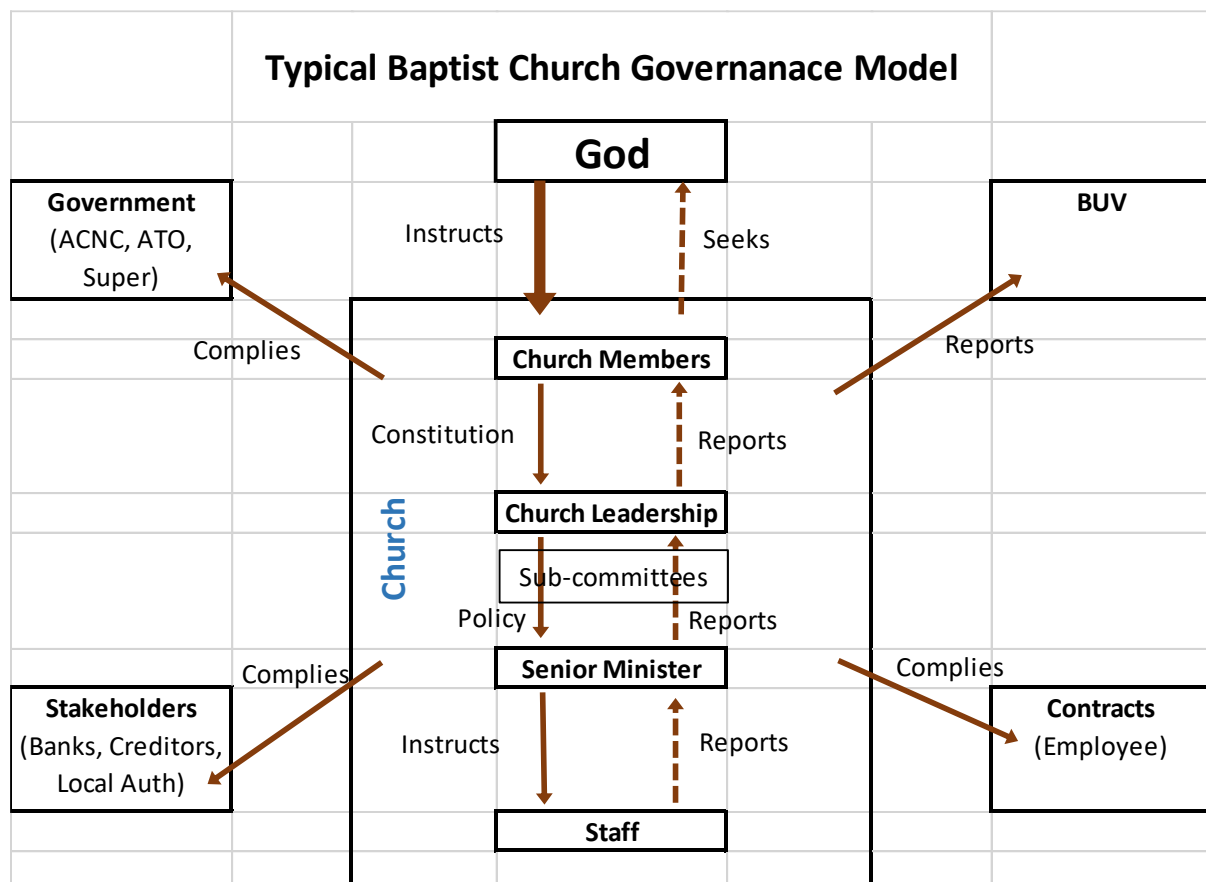
The Church Constitution

The church should have a Constitution which is a body of fundamental principles or established precedents according to which an organisation is acknowledged to be governed. There are examples on the BUV website and it is recommended that the document be legally reviewed. For help with the Church Constitution, contact Church Health at the BUV.

See also <https://www.buv.com.au/resources/constitutions>

Church leadership

The church leadership (or Board) are responsible for the way the church is governed, but it is advisable that they not be involved in the day to day operation of the church. The church leadership will often assign sub-committees, such as a Finance Committee, to focus in on a particular discipline or aspect of the church.



Finance Committee

The Finance Committee oversees the financial matters. It is not their role to make financial decisions but to review financial reports, budgets and other financial matters and to make recommendations to the church leadership. They may have authority, within certain church leadership determined limitations, to authorise spending which is in excess of the budget, but any spending that is not authorised should go back to the church leadership for approval. Some churches also include Risk Analysis under the umbrella of this committee, but again, this would be for recommendation and not implementation. The church leadership is responsible for governance decisions and as such must authorise change.

As with any sub-committee, church leadership members may be on the Finance Committee, and it is usual for the Treasurer to be on both. The Pastor may be on the Finance Committee, and if possible the other members should be skilled in this area.

There is more detail below of how a Finance Committee might operate.

Property Committee

There are numerous sub-committees that can be established by the church leadership, but one common one is the Property Committee. Like the Finance Committee, the Property Committee exist to advise the church leadership and make the plans to implement the church leadership decisions. They should not operate outside what has been mandated by the church leadership. They would discuss matters of ongoing church maintenance, as well as larger projects.

See <https://www.buv.com.au/resources/finance-admin/>

Constitutional Meetings

The standard Baptist Church Constitution says "*Ordinary church meetings to consider the life and ministry of the church must be held at least three times each year.*" This varies from church to church, but the three meetings' main theme might be:

1. Vision
2. Prior Year Financial Report – Annual General Meeting (AGM)
3. Future Year Budget

Property

Buildings

Churches commonly own the following buildings:

- Church Property - The church property may have other buildings on it as well as the church

- Manse – A house that the minister lives in. These days it is not unusual for the manse to be used for other purposes, such as church office or rental property.

The Property Committee is responsible for Building Maintenance. They may have a budget for ongoing and capital expenses. Any expenditure should be within the Purchasing Policy and the budget of the church.

Before making any major building decision, church governance should be familiar with the information found under *Incorporation & Property Ownership* found at <https://www.buv.com.au/resources/finance-admin/>. Churches should also speak with the BUV Finance and Admin team before making decisions.

Trusts and Estates, Bequests and Wills

Sometimes money has been bequeathed to the church and the Will may have specific requirements for usage of those funds. This money may have been placed in a specific bank account and/or Trust. It is important that the parameters of these bequests be known. A notation somewhere in the financial records is helpful, and may be something like:

“Trust account for Edna Smith to be used towards a Youth Pastor”.

A copy of the Will should also be kept somewhere. If you can't locate this, Wills can often be retrieved from the Public Record Office. (<https://www.prov.vic.gov.au/>).

Insurance



Church Insurance is arranged with Baptist Insurance Services and billed from the BUV. Every September, your church policy information is mailed to your church. If you can't locate this, or for coverage queries, policy information and claims, contact BIS on 9880 6166. For account payment enquires contact the BUV on 9880 6174.

See <https://www.buv.com.au/resources/insurance>

Legal Help

There are companies mentioned on the BUV website. See <https://www.buv.com.au/resources/legal-advice>.

Archives

The BUV has extensive archives. Guidelines for local churches in regard to archiving can be found at <https://www.buv.com.au/resources/archives>.

Banking

Bank Accounts

The church has the following Bank Accounts:

Bank	Account Name	BSB	Account Number

Credit Cards

The church has the following Credit Cards:

Bank	Issued to	Limits	

Baptist Financial Services

BFS offers a lot of excellent financial services Baptist churches. Contact details:

Ph. 9880 6199 www.bfs.org.au

Finance Companies

Sometimes churches use Finance Companies to finance purchases like cars, photocopiers and computer equipment. The church has the following leases:

Lender	Purpose	Monthly Payment	Term

Investments

All investments must be made within the authority guidelines or authority of church governance body. There have been cases of well-meaning Treasurers placing church funds in a “great” investment, only to discover it was a bad investment. It is worth determining how well any investment is guaranteed before making decisions. Usually higher return means higher risk.

Term Deposits

The BFS and banks provide term deposits.

Bank	Issued to	Limits	

Shares and Share Portfolio

Usually shares are purchased, sold and managed by a fund manager, who charge fees for their services. The BUV, for example, uses JB Were to manage its share portfolio. It is worth comparing fee structures and service, and establishing investment guidelines (i.e. what sort of company does the church not want to invest in?).

Franking Credits

Not-for profit organisations have the benefit of being able to claim back Franking Credits. These are also known as Imputation Credits and are a type of tax credit that allows Australian companies to pass on tax paid at the company level to shareholders. These are claimed back via the ATO. See <https://www.ato.gov.au/Non-profit/your-organisation/investments,-credits-and-refunds/franking-credits/>.

The Fund Manager will provide a List Portfolio. The church Fund Manager is:

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Buildings

Some churches may invest in property, and sometimes this forms part of the mission. For example, Low Cost Housing. The church owns the following properties:

Property	Address	Purpose	

Debt

The church may have or may be considering debt. It could be a large amount for a building or smaller amounts for less value assets, and even extends to Credit Cards. The Finance Committee and/or the Treasurer should investigate or review debt and consider:

- Interest rates
- Fees
- Flexibility and ease of use

All new debt and changes to existing arrangements need to comply to governance documents and probably church leadership approval. Also due diligence given to the ability to repay and the impost on the church.

Some forms of debt:

- Large loan secured by property mortgage
- Small loan
- Lease
- Overdraft
- Credit Card. If the church has Credit Card/s it is advisable to have repay these on a monthly basis. That is, not to use this as longer term debt.

In the process of debt consideration it is always worth talking with the Baptist Financial Services (9880 6199, www.bfs.org.au).

It is possible to have a larger loan which operates like an overdraft. This means you only drawdown funds that are needed.

Account Signatories

Common practice is to have two signatories for bank authorities and withdrawal transactions, but the church governance should decide this.

The Treasurer and anyone authorised to transact need to know the parameters and limits. When signatories are added or changed you will need to contact your bank / financial institution and most likely have to provide a church letter signed by existing signatories. Some options are:

- One signatory
- Two to sign
- One particular person plus one other

Signatories

Account	Signatory	Signatory	Signatory

Internet Banking

Most churches today use internet banking. You will need to organise it with your finance organisation/s, but make sure the church governance understands the arrangement and the authorising process, and that the arrangement is set up in accordance with your church payment guidelines (eg. two to sign/authorise).

Finance Committee

Financial Reports

Preparing the reports mentioned below is best practice for most churches. In reality the gambit of reporting amongst churches goes from nothing to very extensive. The BUV Financial Services Consultant is available to help and it is quite normal to take a few years to attain best practice. The following are reasons to move towards best practice:

- If registered with the ACNC (Australian Charities and Not-for-profits Commission) your church has legal requirements to meet. (See below)
- Your church constitution may require it
- Accountability - reporting reduces fraud, suspicion and mistakes
- To inform your committees and church
- Information for stakeholders, such as Baptist Union, Baptist Financial Service (BFS), banks, grant or funding applications, Visa applications

- To streamline the audit/ financial review process
- Consistency helps people to understand and review

Reports that are usually prepared by churches are:

- Balance Sheet - this shows Assets, Liabilities and the balance which is called Equity. Assets and Liabilities are usually further split as Current and Non-current and the difference is whether or not the cash will be normally realised/available or debt payable within 12 months. For example a bank account is current and a building is non-current.
- Income Statement (or Profit and Loss Statement). This tracks your surplus or deficit for the current year and shows itemised Income less itemised Expenses, which give you your result.
Often an Income Statement will show amounts for:
 - Current Period (depending on your church reporting cycle (eg. monthly or quarterly))
 - Year to Date
 - Budget Current Period
 - Budget Year to Date
 - Variance to Budget
- Cash Flow – This is a document created before the start of the church financial year which estimates the flow of cash. It should be modified and reported throughout the year if there are significant variations. This is very important, as there are many instances where profitable organisations have not succeeded due to not planning the cash flow. This will include items of any financial transaction that affects cash. Obvious cash flow in is Offerings and outflow is Stipends, but if, for example the church buys (outflow) a piano (asset) will there be enough in the bank to cover the cost and ongoing expenses, or will there have to be some other source of cash inflow, for example, a loan.
- Budget – Before the start of the church financial year, it is best practice to create a budget. The main budget is the day to day spending budget which ties in with the Income Statement, but there should also be a Capital budget which will look at the purchases that will end up in the Balance Sheet.
It is normal practice to budget for a surplus, but if a church has reserves (financial resources) available it may budget (plan) for a deficit.

Cash or Accrual Accounting – The BUV recommend that smaller churches (annual revenue less than \$250,000) use Cash flow accounting, where income and expenses are accounted for when cash is transacted.

For churches with revenue over \$250,000 the BUV recommends Accrual

Accounting where income and expenses are accounted for when incurred. For example a church would make a financial provision for unpaid leave to staff. The money is still in the bank but the amount is expensed in the period it relates to. A logic for this is if the church ceased to exist it would still be liable to pay that amount, so it is a more accurate picture to include it as an Expense and an Accumulated Liability. There is good information at:

<https://www.buv.com.au/resources/audit-financial-services>

If a church does not meet the criteria of a “Basic Religious Charity” (see <https://www.acnc.gov.au/tools/topic-guides/basic-religious-charities>), at financial year end your church will have to comply with the ACNC and may have to complete a more formal set of accounts. There is information about the reporting at <https://www.acnc.gov.au/tools/topic-guides/financial-reporting-statements>.

Most commonly churches who prepare more detailed accounts use Special Purpose accounts because they are not deemed as a “reporting entity”. According to the ACNC website, “*The Australian Accounting Standard AASB 1053 defines a reporting entity as:*

‘an entity in respect of which it is reasonable to expect the existence of users who rely on the entity’s general purpose financial statements for information that will be useful to them for making and evaluating decisions about the allocation of resources.’

If you are deemed to be a reporting entity, your church has to prepare General Purpose accounts, which is what most companies have to do. Often the Auditor will prepared these reports for additional cost. The benefit is they are doing this all the time, so it should be quicker and more up to date with Accounting Standards.

Management accounting preparation and reporting

Pastor

The Treasurer and the Pastor work closely together to forecast and manage finance matters

Finance Committee

The Finance Committee meet once a primarily to discuss the financial reports for the prior month or period. Other significant financial matters that arise such as budgets, banking, funding, leases and audit should also be discussed. This meeting is a more detailed review of finances in readiness for a summarised reporting to the church leadership. Relevant reports should be distributed by the Treasurer a week before the meeting. The Committee is subject to the Finance Committee Policies. The Finance Committee Members are:

		Treasurer
		Pastor

Church Leadership

A summarised finance report is usually prepared for the church leadership and should be made available before the leadership meeting. The Treasurer attends leadership meetings and will discuss finance reports and any other matters that are relevant. The Treasurer does not necessarily have to be a church leadership Member.

The church leadership members are:

		Chairperson
		Pastor
		Secretary
		Treasurer
		Church leadership Member
		Church leadership Member

Baptist Union

In March all churches will be prompted by the BUV to complete the Annual Statistical Information survey. This should be done online and by the end of May. Each year churches are sent information via email with details.

ACNC

If your church is registered with ACNC as a “Basic Religious Charity”, it does not have to:

- answer financial information questions in its Annual Information Statement
- submit annual financial reports to us (regardless of its size), or
- comply with the ACNC governance standards.

A Basic Religious Charity

A Basic Religious Charity must meet the criteria at

<https://www.acnc.gov.au/tools/topic-guides/financial-reporting-statements>

Basic Religious Charities must still meet all other ongoing obligations such as submitting the Annual Information Statement each year and notifying us of any changes to their details, including details of their Responsible Persons.

If your church does not meet the criteria of Basic Religious Entity and had income more than \$250,000 it must submit an Annual Financial Report.

See information below and <https://www.acnc.gov.au/for-charities/manage-your-charity/obligations-acnc/reporting-annually-acnc/annual-financial-report>

From the ACNC website:

An AFR provides the public with additional information and assurance about the operations and financial affairs of a charity over a reporting period. From a charity perspective it serves to meet the legislative requirements of the regulator, and is an indicator of good governance.

The ACNC requires that charities provide at minimum the following information for medium and large charities when submitting their AFR:

- *statement of profit or loss and other comprehensive income*
- *statement of financial position*
- *statement of changes in equity*
- *statement of cash flows*
- *notes to the financial statements*
- *a signed and dated responsible persons’ declaration about the statements and notes (acnc.gov.au/templates)*
- *a signed and dated reviewer's report/auditor's report (for medium charities) or a signed and dated auditor's report (for large charities) (acnc.gov.au/templates).*

¹All religious organisations that are eligible for charity registration must register with the ACNC and comply with the ACNC's ongoing registration and reporting obligations to maintain their Commonwealth tax concessions. Key tax concessions supported by ACNC registration include:

- Income tax exemption
- Fringe benefits tax (FBT) concessions
- GST concessions

A religious organisation will be eligible for charity registration where its purposes contained in its governing documents include the advancement of religion and/or other charitable purposes but does not include any significant non-charitable purposes. The organisation's actual activities must be consistent with its charitable purpose. Further, its governing documents must also contain appropriate charitable non-profit and winding up clauses.

All new organisations that are eligible for registration as a charity will need to register with the ACNC. Previously, charities would register directly with the Australian Taxation Office for charity status and tax concessions.

Registration is available online through the ACNC website (<http://www.acnc.gov.au>). The online registration form is currently ten pages in length and requires organisations to provide details about their purposes, activities, governing document and nominated contacts ('responsible persons').

In many cases, charity registrations for new organisations are simple. However, ensuring that all information is collected first and obtaining advice before applying can be helpful to streamline the process.

Once a charity's application to the ACNC is approved, the ACNC will forward the application to the Taxation Office for consideration of entitlement to the various tax concessions, including:

- income tax exemption
- refundable imputation credits
- fringe benefits tax rebate
- \$30,000 capping of exempt or rebatable fringe benefits GST concessions

¹ The following ACNC information is taken from "Treasurers Guide" webpage prepared by Seward Dawson and funded by Baptist Financial Services

- *various GST concessions such as non-commercial activities, non-profit sub-entities, fundraising exemptions etc.*

A church's status is shown on the Australian Business Register and on the ACNC Register and therefore is public information.

To continue to maintain charity registration with the ACNC and receive Commonwealth tax concessions, religious charities must comply with the ACNC's financial reporting regime.

The ACNC's reporting regime will require:

Small sized religious charities to lodge an Annual Information Statement with no financial questions

Medium sized religious charities to prepare and lodge audited or reviewed financial statements and an Annual Information Statement

Large sized religious charities to prepare and lodge audited financial statements, and an Annual Information Statement

Some types of religious charities ("basic religious charities") are eligible for exemption from some of the reporting requirements. The assessed size of the religious charities is irrelevant.

Depending on the size and structure of a religious charity, an organisation may be required to prepare financial statements, have them audited and lodge the audited financial statements with the ACNC. Financial statements lodged must comply with Australian Accounting Standards subject to minor modifications. The lodgement of financial information required will depend on both a religious charity's size (turnover) and structure (whether it is a basic religious charity).

The financial statement audit and lodgement requirements are outlined in the table below:

<i>Size</i>	<i>Turnover threshold and reporting requirements</i>
<i>Large</i>	<i>Annual revenue is \$1,000,000 or more Financial statements must be audited and lodged with the ACNC</i>
<i>Medium</i>	<i>Annual revenue \$250,000 or more and less than \$1m Financial statements must be audited or reviewed and lodged with the ACNC</i>
<i>Small</i>	<i>Annual revenue is less than \$250,000</i>

	No requirement to lodge financial statements with the ACNC
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It is important to note that revenue must be calculated using Australian Accounting Standards². This definition does not have the same meaning as income. The ACNC have prepared a definition of revenue based on the Australian Accounting Standards. Please review this to ensure that your organisation is using the correct definition.

However, religious charities will not be required to lodge any financial information if they qualify as a basic religious charity.

All financial statements lodged with the ACNC will become available for public viewing from the ACNC website.

All Basic Religious Charities will be required to lodge an Annual Information Statement (AIS) with the ACNC. The due date for the Annual Information Statement is six months after the church's reporting period. For example, if your church's year end is 30 June then the Annual Information Statement will be due by 31 December.

Although Basic Religious Charities will need to prepare and lodge an AIS with the ACNC, it is exempted from answering the financial information questions in the statement regardless of its size.

To apply for ACNC registration go to <https://www.acnc.gov.au/for-charities/start-charity/before-you-start-charity>

It is not imperative for a church to register with the ACNC, but most churches are registered. The application process is quite detailed, and it is worthwhile looking at the self-assessment tool on the link above before your church applies.

Other, eg. Banks, Auditors

Various reports as are required by interested parties such as auditors, banks and government

Budget

Creation

Churches should create a budget and budget process. The Treasurer might, for example, meet with the Pastor initially, and then the Finance Committee, and then the church leadership before presenting the budget to the church. This should be planned in a timeline so there is enough time.

² AASB15 <http://www.aasb.gov.au/Pronouncements/Current-standards.aspx>

Review

Any changes to the budget after it is finalised needs to be approved by the church leadership.

Recommended Salaries

The BUV will calculate the Stipend and Ministerial allowances, and Superannuation, and advise churches after the October Delegates Dinner.

See <https://www.buv.com.au/resources/stipends>

Other salaries should also be reviewed before budget and need to comply with minimum wage laws. Information can be found at

<https://www.fairwork.gov.au/pay/minimum-wages>. On this site you will also find a list of Awards, and often it is helpful to align employees with an Award, both for information and to benchmark rates against.

Employers have to give every new employee a copy of the Fair Work Information Statement (the FWIS) before, or as soon as possible after, they start their new job. See <https://www.fairwork.gov.au/employee-entitlements/national-employment-standards/fair-work-information-statement>

Ministry Contribution

The Ministry Contribution Fee is based on the Annual Statistical Information and goes towards the BUV operating budget to help cover services and resources. See <https://www.buv.com.au/news/2021-ministry-contribution-calculation/>

Asset register

In an Accrual Accounting system an Asset Register is used to calculate depreciation. Most churches effectively write off their asset in the year that they are purchased. If you want more information about depreciation contact the Financial Services Consultant at the BUV.

Some sort of record of Assets is best practice for a church. It can be a simple spreadsheet, which gives information about purchase that are over a certain value (eg. \$500) and last more than one year. Some information that might be in an Asset Register:

- Date of purchase
- Asset Description
- Asset location
- Supplier
- Cost
- Asset type (eg. Building, Equipment, Motor Vehicle)
- Disposal date
- Disposal value
- Loss or gain on sale
- Disposal method (sale, donation, rubbish)

If you are accounting for Depreciation, then this register would also include:

- Depreciation rate. The relevant Accounting Standard is AASB116. See <http://www.aasb.gov.au/Pronouncements/Current-standards.aspx>
- Depreciation this financial year
- Accumulated Depreciation (over the life of the asset)
- Written down value (Cost less Accumulated Depreciation)

For an Asset Register template in Excel, contact the BUV Financial Services Consultant.

It is important to review the Asset Register. When assets are written off, they still may be of value to the church, but sometimes assets become obsolete. If they are disposed of they should be removed. It may be useful to keep a record of disposed of assets in another tab of the depreciation spreadsheet.

Some Financial Software packages have Asset Registers that will record this information, and it may be worth considering this if choosing new software, as it stops double recording and ties in with the Balance Sheet.

If you are recording Assets and Depreciation in a Balance sheet this should balance to the Asset Register.

Audit

Note:

- It is best practice to employ an auditor who is not connected with the church. This is not always practical but churches should endeavour to at least have someone external to the Finance Committee to review the accounts. Churches with revenue over \$250,000, not deemed as a Basic Religious Entity, who are registered with the ACNC have legal obligations. See section on ACNC.
- Remember, auditors are employed by the church to serve the church. What they request may be a recommendation and not a requirement. If you want clarification please contact the BUV Financial Consultant.
- You can shop around or tender for Auditors. Some believe best practice is to tender every 4-5 years.
- This is what an Audit Plan might look like.

Most churches' financial year end date is either 30 June or 31 December.

It is best to create an audit timeline at least two months before the end of the financial year to provide to those auditing your account, then host a

meeting to discuss internal church changes and industry financial changes that may affect the financial operation and recording in the coming financial year. It is advisable to work back from the Annual General Meeting (AGM) date so that the correct amount of time, as per the Church Constitution, can elapse for providing members with the reports/notice, before the AGM. A timeline may look like this (assuming 30 June is the end of financial year):

Date	Description
30 April	Provide timeline to auditor
15 May	Meet with auditor
15 June	Auditor starts preliminary audit
3 August (this maybe a few days)	Audit time
22 August	Auditor meets with Treasurer and Pastor to discuss audit
25 August	Draft report for Finance Committee
10 September	Final Report for church leadership
17 September	Reports made available to church members
10 October	Annual General Meeting

Auditors often provide a checklist of things they would like to be ready when they arrive, but they are usually a generic list and include things that don't apply to your church, so over time you may want to create your own list.

The financial part of the printed Annual Report is prepared by the church or the Audit Company.

Accounts payable

Review Payments

Normally, all payments have to be approved by two account signatories. You should be across what is being paid. All payments should be properly authorised, within budget and according to the Finance Policy.

Online Banking

These days most transactions can happen via online banking. This should be set up in accordance with payment authority. That is, if two people are account signatories for payments, two people should be approving online payments. Depending on the type of bank account, and if you are using software that supports it, transfer of data to and from the bank can be streamlined. Churches can get information from their finance organisation which feeds into their software which assists with bank reconciliations, and can transfer files to the bank which helps with payments (bills and

payroll). This reduces data entry and improves accuracy. Contact the Financial Services Consultant for more information.

Payroll

Payroll should be reviewed before authorising at the bank. Any changes to the prior pay should be well documented in the payroll reports and in the individual employee file. It is best practice to get in writing any changes an employee wants to make (eg. extra super, changed bank accounts) and to the employee any changes made by the church (eg. pay increase).

Advise Accounts Person

The Accounts person is a wealth of information but is not always familiar with budgets, budget changes and capital expenditure. They should be kept informed of changes that affect their role. The Treasurer should advise the leadership regarding non-normal expenditure

Oversee Purchasing

All expenditure should be within budget and the Purchasing Policy. Anything outside these parameters should be approved by leadership.

Payroll

Overview

When staff commence they need to complete the following documents:

- Staff Details Form
- Tax File Number Declaration
- Superannuation Choice Form

(See below Documents for more information)

The church should create a Statement of Understanding with the Pastor(s) which outlines the agreed conditions or contract of employment. See <https://www.buv.com.au/resources/stipends> for BUV recommended rates and or a template of a "Statement of Understanding", and an excellent document called "Guidelines for Healthy Church Pastor Relationships" which addresses most employment matters.

It is good practice to create a hard copy file to keep employee documents in. Any pay arrangements and changes to pay arrangements should be kept in hard copy. Contracts, leave forms, pay rates, superannuation arrangements, and changes to bank accounts. Anything and everything should be kept because you don't know what questions will be asked in the future.

The BUV will calculate the Stipend and Ministerial allowances and advise churches in October.

Other salaries should also be reviewed before budget and need to comply with minimum wage laws. Information can be found at <https://www.fairwork.gov.au/pay/minimum-wages>. On this site you will also find a list of Awards, and often it is helpful to align employees with an Award, both for information and to benchmark rates against.

The church determines the conditions of employment, such as actual stipend and leave, provided they match or are in excess of the minimum amounts set by law.

For Payroll it is best practice to keep good records. Seven years is the minimum. We suggest printing a copy of each pay run and keeping it in a folder. Notes of any changes to prior pay should be clear and understandable.

<https://www.fairwork.gov.au/pay/pay-slips-and-record-keeping/record-keeping>

Stipend

The Pastors salary is called a stipend. There are certain tax rules that are of significant financial benefit to Pastors. These cannot usually be applied to other church employees. The BUV will advise churches of the details each May, but basically a percentage of their Gross pay (usually 50%) can be used to buy/pay for personal things for the Pastor. It is called Tax Exempt Benefits, so to satisfy the Tax Office there are certain rules.

Exempt Benefits

Exempt Benefits (sometimes referred to as Non Cash Benefits) are payments to "religious practitioner" (see Fringe Benefits Tax Assessment Act 1986, Section 57) which are exempt from any tax (PAYG or FBT). They are Fringe Benefits, that are Exempt from FBT. These payments are not included as taxable income on the payslip or end of year Payment Summary. Your church decides whether or not to adopt Exempt Benefits and the actual percentage. The BUV has suggests 50%, and the ATO has parameters that churches have to abide by. Either the church can manage the funds and pay bills for, or reimburse the Pastor, or the church can set up a separate bank account or Baptist Financial Services (BFS) account that the pastor can pay bills from and/or have a Debit Card (eg. Visa or Mastercard) to pay bills with. The Pastor cannot draw cash from this account. It is a little bit complicated but once it is up and running it works well.

Remember it is the Pastor's money (from their pay), so spending does not have to comply with church policy. If a separate BFS or bank account has been set up, the signatories may be, for example, one only of either Pastor, spouse or Treasurer. The only time the Treasurer would operate the account is to close it when the pastor leaves.

If you want some help please contact the BUV Financial Services Consultant.

At the time of a pay run, 50% goes into this system and the remainder is taxed and goes into the account(s) nominated by the pastor. If there is GST on the payments made from the Exempt Benefits account, if the church is registered for GST and if the church has a copy of the original invoice or receipt showing GST, the church can claim back the GST on these transactions. It may pass this saving onto the Pastors or keep the GST for the church, but should have a written policy which details the treatment. There are apps and finance package related product that can streamline this. Contact the Financial Services Consultant for more information.

See <https://www.buv.com.au/resources/stipends>

For ATO information on Exempt Benefits [click here](#)

For a Tax Office Tax Withheld Calculator go to <https://www.ato.gov.au/Calculators-and-tools/Host/?anchor=TWC&anchor=TWC#TWC/questions>

Single Touch Payroll (STP)

From July 2019 it became mandatory for every employer to report every pay they process to the Australian Taxation Office on or before the date the pay is processed into the employees bank account/s. This has to be done using STP enabled payroll software, like Xero. For more information see <https://www.ato.gov.au/Business/Single-Touch-Payroll/>

The annual finalisation is now processed in the STP procedure via payroll software. Employees then log into MyGov to obtain their tax information. This process must be completed by 14 July each year

Superannuation

Superannuation is mandatory for all employees earning over \$450 per month. Staff should advise the church of their fund using the Superannuation (super) standard choice form found at [https://www.ato.gov.au/forms/superannuation-\(super\)-standard-choice-form/?=top_10_forms](https://www.ato.gov.au/forms/superannuation-(super)-standard-choice-form/?=top_10_forms)

The mandatory percentage is 10% from 1 July 2021 of the gross wage paid. The rate for pastors is found at <https://www.buv.com.au/resources/stipends>. Employees can pay more

than these percentages, but the excess is subject to Fringe Benefit Tax (FBT). The BUV rate is not deemed reportable as extra (RESC) because the employee doesn't influence the rate.

You pay super for eligible employees calculated from the day they start with you. You must make the payments at least four times a year, by the quarterly due dates. You may pay monthly by the 28 of the month, after payroll run.

Quarterly payment due dates for super payments		
Quarter	Period	Payment due date
1	1 July – 30 September	28 October
2	1 October – 31 December	28 January
3	1 January – 31 March	28 April
4	1 April – 30 June	28 July

SuperStream is the way businesses must pay employee superannuation guaranteed contributions to super funds. With SuperStream, money and data are sent electronically in a standard format. For more information go to <https://www.ato.gov.au/business/super-for-employers/paying-super-contributions/superstream/>

The easiest way is to contact (one of) your employees Super Funds to see if they have a Clearing House that will process all your super payments. Below is the link to Christian Super, as an example.

<https://www.ato.gov.au/super/superstream/employers/employer-checklist--a-step-by-step-guide/>

<https://www.christiansuper.com.au/for-employers/making-payments/>

Fringe Benefits

If your church pays for benefits for non-Pastoral staff (eg. car) the church needs to pay FBT. Normally it is a standard quarterly amount with our BAS as calculated by the ATO. Annual FBT is reconciled March 31 and balance payable (or refundable) with the March BAS, in April.

Information on Fringe benefits tax: benefits provided to religious practitioners, can be found at

<https://www.ato.gov.au/law/view/document?DocID=DTR/TR2018D2/NAT/ATO/00001&PiT=99991231235958>

Allowances

The BUV policy is that car usage under 12,000km per annum is considered reasonable travel and part of a pastor's normal duties as compensated by the pastoral stipend. Where travel exceeds this, it is suggested that agreement is reached between the church and pastor on compensation for the additional travel above 12,000km. The BUV policy suggests a cents per km payment as reasonable compensation which is based on the ATO rates.

Travel for business purposes carried out by a pastor is tax deductible thus any travel up to the 12,000km can be claimed in the pastors tax return so long as the ATO requirements are met (business related not commuting, log book kept, tax rates for deductions used etc.)

This is a recommendation and it is up to each individual church to decide on their own policy in this matter.

Professional Development

All staff should have Professional Development opportunities. The BUV has some excellent opportunities as listed on the website

Leave management

It is important to keep accurate and up to date records of all types of leave taken. Different types of leave are as follows:

- Annual Leave – minimum 4 weeks per annum pro-rata. The BUV recommend 5 weeks leave for Pastors.
- Personal Leave– minimum 10 days per annum pro-rata. This includes:
 - Sick Leave
 - Compassionate Leave
 - Carers Leave
- Long Service Leave – minimum calculation is 13 weeks every 15 years, but it can be taken after 10 years or payable on termination after 7 years. From November 2018 it can be taken after 7 years. The BUV can manage Pastors LSL and information is found under *Long Service Leave* at <https://www.buv.com.au/resources/finance-admin/>. Churches are invoiced by the BUV in October for the annual contribution
- Paid Parental Leave. See [Guidelines for Healthy Church/Pastor relationships](#) and <https://www.fairwork.gov.au/leave/maternity-and-parental-leave>

PAYG

To register PAYG go to

<https://www.ato.gov.au/business/payg-withholding/> Your church will report and pay the Pay As You Go (PAYG) withholding tax via the Business Activity Statement (BAS). PAYG is usually payable monthly, whereas the BAS is due quarterly. In the interim months the church should complete an Instalment Activity Statement (IAS) which is a return solely for PAYG.

To lodge and pay a BAS or IAS the ATO will send you the relevant return forms after you have your ABN and before it is due. To do this online, see BAS, GST and ABN sections.

The annual finalisation is now processed in the Single Touch Payroll (STP) procedure via payroll software. Employees then log into MyGov to obtain their tax information. This process must be completed by 14 July each year

Tax Rates

Payroll software has the Australian Taxation Office tax rates built in to the system, but it is important to understand how these are updated when rates change. Contact them to determine this.

For churches not using software, the tax rates, there is an online calculator and tax tables at <https://www.ato.gov.au/Calculators-and-tools/Host/?anchor=TWC&anchor=TWC#TWC/questions>

Centrelinkⁱ

1. Income support payments

Government entitlements administered by Centrelink are largely income support payments, such as parenting payment and the low income card. Eligibility for income support payments is based on an applicant's income, which includes their ordinary income plus "valuable consideration".

As discussed with you, valuable consideration is defined as items that are capable of being valued in monetary terms, and includes employer provided fringe benefits. Although ministers of religion receive exempt benefits (i.e. benefits that are not subject to fringe benefits tax), Centrelink refers to these amounts as fringe benefits.

The link that you sent refers to a guide to social security, and this essentially advises that fringe benefits which are for a minister's own private use or benefit are assessed as income. However, fringe benefits that are directly related to ministry work are disregarded. This is confirmed the section under the heading "Work-related expenses including reimbursements & allowances".

2. Youth allowance

Although Youth Allowance is an income support payment administered by Centrelink, whether fringe benefits received by a minister of religion are required to be disclosed when determining eligibility for this entitlement will depend on the status of the minister. This is discussed further in another section of the guide to social security that you can access on the following link:

<http://guides.dss.gov.au/guide-social-security-law/1/1/m/150>

As discussed in this second section, a minister of religion will be engaged under either a “contract for service” or a “contract of employment”. Benefits provided under a contract of service are not considered to be employer-provided fringe benefits and accordingly are not required to be disclosed when determining eligibility for youth allowance.

The guide lists ministers of various denominations and churches who are considered to be contracted for service. As discussed with you, all ministers of the Baptist churches in Australia are included even though they may actually be employees for common law purposes. This is different to the position stated above for the assessment of fringe benefits when determining eligibility for other income support payments. This confusing position could also be why there has been an assumption by some churches that fringe benefits are not required to be disclosed.

3. Family tax benefit

Eligibility for family tax benefit is based on a person's “adjusted taxable income”. This is defined as a person's taxable income plus certain other items, including reportable fringe benefits.

Although ministers of religion receive exempt benefits, these are not required to be reported on their PAYG payment summaries and are therefore not reportable fringe benefits. This is confirmed in a section of the Department of Human Services (“DHS”) website that you can access on the following link:

<https://www.humanservices.gov.au/individuals/services/centrelink/family-tax-benefit/who-can-get-it/adjusted-taxable-income>

In the discussion under the section titled “reportable fringe benefits” you will note how DHS states the following:

You need to tell us if you get reportable fringe benefits from:

- public benevolent institutions
- health promotion charities
- some hospitals and public ambulance services.

The above are employers who can provide exempt benefits. DHS does not require a customer to notify it if they receives exempt benefits from a religious institution because these are not reportable fringe benefits.

4. What to disclose to Centrelink

As a general rule we understand that Centrelink uses the following principles to determine whether remuneration received by a minister of religion is deemed to be valuable consideration:

- Allowances or amounts paid for items that are work related (such as ministry resources, travel and the provision of a manse) are disregarded;
- Allowances or amounts paid for items that are not work related (such as personal expenses, groceries and payment of accommodation costs) are included; and
- An apportionment is required for allowances or amounts paid for items that include both a private and work-related component (such as payment of car expenses).

Based on these principles, a minister would not be required to disclose the provision of a manse or other accommodation as valuable consideration when assessing their eligibility for parenting payment or the low income card. However, they would be required to disclose the receipt of an allowance as confirmed in the following section of the Centrelink guide:

Where a minister receives free accommodation or free board or lodging, it is not counted as income for social security purposes.

Example: *A manse is provided free-of-charge by the church during the term of the ministry or service.*

However, where the minister is paid an allowance by the church or organisation to cover the cost of private accommodation, the payment IS counted as income. This includes situations where the church or organisation pays the mortgage repayments on a minister's home. The value of the mortgage payment IS assessed as income.

It would be appropriate to advise ministers that as a general rule their exempt benefits do need to be disclosed to Centrelink, but the extent to which they need to be disclosed will be determined by that organisation. You should then advise ministers that they should contact Centrelink to discuss this further.

Fringe Benefits Tax processing

The FBT year is April to March. If FBT is applicable, the church will have to register on the Australian Taxation Office website

(<https://www.ato.gov.au/Forms/Application-to-register-for-fringe-benefits-tax/>).

FBT is payable via the Business Activity Statement (BAS).

Documents

As an employer, there are three documents the church should have their employees complete, that can be found under Treasurer Resources at

<https://www.buv.com.au/resources/finance-admin/> :

1. Employee Information.
2. Tax File Declaration
3. Super Choice form. Most super funds have specific forms

All of these forms should be retained by the employer (church), however, the Tax File Declaration has to be sent to the Tax Office also, at the address within the document.

Business Activity Statement (BAS) processing

The BAS is due quarterly and includes PAYG and FBT (see above) as well as GST. A church may complete its own BAS, but there are strict guidelines for external persons to comply with to complete a BAS. See

<https://www.tpb.gov.au/qualifications-and-experience-bas-agents>

Australian Business Number

The ABN is used as the single identifier of an organisation for Government purposes. In order to register for GST, obtain endorsement as a charity or obtain deductible gift status, the church must apply for an Australian Business Number (ABN). In practice, the same form is used to apply for the ABN and to register for GST. Even if a church does not register for GST, it should still apply for an ABN.

Legally an organisation does not have to have an ABN, but it is imperative to pay Pay As You Go (PAYG) tax or for GST or other tax concessions, so it is virtually impossible to avoid.

Goods and Services Tax (GST)

If your church has a turnover (revenue) over \$150,000 it must register for GST. Tithes and offerings are not inclusive of GST, so often there is no GST to pay. There is really good and comprehensive information at

<http://www.youraccountant.net.au/tguide/guide/index/GSTindexMain.asp>

Even if turnover is less than \$150,000 churches often register for GST, as a church is entitled to be refunded any GST paid (see <https://www.ato.gov.au/business/gst/registering-for-gst/> (Login: *BFS*, Password: *Ministry316*). In some cases churches have not deemed it worthwhile to account for expenses in such a way that records GST paid. Some expenses, such as salaries, do not attract GST, but for expenses that do have GST, to receive a refund of one-eleventh of all those costs means money for the church. If you have capital expenses such as a building project this would be very worthwhile.

It is important that invoices and receipts with GST be kept and that transactions are recorded accurately. For assistance with this contact the BUV Financial Services Consultant.

For information regarding how to register go to <https://www.ato.gov.au/Business/GST/Registering-for-GST/>

For the essentials of claiming GST go to <https://www.ato.gov.au/Business/GST/Claiming-GST-credits/When-you-can-claim-a-GST-credit/>

Recording transactions

Documentation

There are various legal obligations to retain financial records, but if you hold them for seven years, you will comply. The church should have a policy on document disposal.

The church may require that certain documents be kept longer. Annual Financial Reports and Employee files are examples. Good information can be found at:

<https://www.business.gov.au/new-to-business-essentials/series-one/keep-the-right-records#how-should-you-keep-your-records>

<https://www.ato.gov.au/Non-profit/your-organisation/records,-reporting-and-paying-tax/record-keeping/>

Software

There are three main ways churches record transactions using computers:

1. Spreadsheet such as Excel
2. Software program installed on computer or server such as Quickbooks or MYOB
3. Website accounting software such as Xero or Reckon 1.

In recent times web based software has emerged, where all transactions are stored in the cloud. Some advantages:

1. It is far less “accountingy”, as it has been designed for non-IT, non-accounting people to use.
2. Multiple logins can be assigned, so people like auditors can log on as view only users from their office. Consideration should be given to who can log in and what their user access is. An auditor login, for example, should be view only.
3. You don’t need to install anything.

The BUV are moving towards having Xero experts on staff, and being a licenced operator. This will add some uniformity across churches who use Xero and easier ability for the BUV to help churches.

Most software has a payroll component, but sometimes this is an additional cost.

Some have an Asset Register.

Choosing software that best meets your needs can save work, so discover what your needs are and investigate the various options before purchase. The BUV Financial Services Consultant can help you.

Compliance

Compliance these days is becoming more complex and demanding. The following is a list of some organisations or regulations that should be considered:

ATO

For payroll (PAYG), BAS (GST) and Fringe Benefits Tax (FBT) see sections on these topics.

Single Touch Payroll each payroll and finalisation by 14 July.

For key dates see www.ato.gov.au/Newsroom/smallbusiness/Key-dates

Business Portal

For most of the interaction with the ATO and for processing using the free Superannuation Clearing House you will need to login to the Business Portal (<https://bp.ato.gov.au/>)

The Business Portal is in the process of being replaced by Online Services – see <https://www.ato.gov.au/business/business-portal/>

ACNC

Annual reporting. See section on this topic

BUV

Annual Statistical Information due April

Payroll and Superannuation

Payroll has to be paid as per the Employment Agreement documents you have with staff members

Superannuation payment - see section on this topic.

Workcare

The church Workcare insurance company is determined by individual churches.

Each year the company chosen will require the church to advise them of the "Rebateable Remuneration". This calculation should not include non-cash benefits, but amounts covered by the insurer does not exclude non-cash benefits.

If Worksafe come to the work place to follow up an incident or to review working conditions they will seek out the responsible person. From their perspective, in a church this will most likely be the Safety Officer. This person is responsible, and to ensure the workplace is safe and the standards and education of staff and office-bearers are maintained. In the event that a designated Safety Officer has not been assigned by the church the Church Administrator, Church Secretary or Chairperson will be assumed to have that role by Worksafe. Worksafe will look more favourably on a church which has demonstrated Occupational Health and Safety guidelines and training, such as Redbook.

Significant injury or incident (eg. death, requiring medical attention) to anybody must be reported to WorkSafe at <https://www.worksafe.vic.gov.au/pages/safety-and-prevention/health-and-safety-topics/incident-notification> and contact made with the Workcare Insurance company. This includes volunteers. More information regarding volunteers can be found at <https://www.safeworkaustralia.gov.au/doc/essential-guide-work-health-and-safety-organisations-engage-volunteers>

A list of companies can be found at <https://www.worksafe.vic.gov.au/your-worksafe-agent>

With regard to payment, this is based on annual remuneration which does not include Exempt Benefits. With regard to claims, they can be made inclusive of Exempt Benefits.

Occupational Health and Safety

Safe Work Australia leads the development of national policy to improve work health and safety and workers' compensation arrangements across Australia. It does not regulate or enforce WHS legislation. As a business owner, you must meet the WHS requirements set out in the acts and regulations in your state or territory. You may face penalties if you don't

meet them. See: <https://www.business.gov.au/risk-management/health-and-safety/work-health-and-safety>

Redbook

The Redbook Online is a free self-auditing system for Victorian and Tasmanian Baptist churches, which covers Building Code compliance, Work Health Safety and Safe Church practices. The BUV has information at: <https://www.buv.com.au/resources/safe-church/>

Privacy

Not-for-profit organisations with an annual turnover more than \$3 million have responsibilities under the Privacy Act. Regardless of size, all churches should be aware of the Australian Privacy Principles. See <https://www.oaic.gov.au/agencies-and-organisations/app-guidelines/> and <https://www.worksafe.vic.gov.au/laws/ohs>

Safe Church

The BUV aims to empower churches with resources and advice that will help them to make their church a safe place for all. More information can be found at <https://www.buv.com.au/resources/safe-church/>

Working With Children Check

The Working with Children Check assists in protecting children from sexual or physical harm by ensuring that people who work with, or care for, them are subject to a screening process. Under the *Working with Children Act 2005* (the Act), only people who are doing child-related work and who are not exempt need a Check. This applies to both paid and volunteer workers. See <http://www.workingwithchildren.vic.gov.au> for more information

Cyber Security

A good backup system is imperative.

Increasingly computer systems are targeted with bugs. This can come via corrupt files, emails and even websites. Australia does not yet have a cyber safety standard, but the US has NIST (see <https://www.nist.gov>). Australia will not be far behind.

Some measures that can be taken:

- Antivirus software
- Firewall – a firewall is a network security system that monitors and controls incoming and outgoing network traffic based on predetermined security rules.
- Wary users – don't open unknown files.

Risk Management ISO 31000

ISO 31000 is a group of standards relating to risk management codified by the International Organization for Standardization. The ability to systematically identify, analyse and address the risks that exist within a church is something that should be considered.

The Baptist Insurance Services has a whole section on their website regarding Risk Management. See <http://baptistinsurance.com.au/Risk-Management-General>. They also run training sessions and will talk with church representatives about risk.

Copyright

Copyright law should be adhered to by churches. Most churches manage their licencing through the BUV, who will send out information in September, and bill the churches in November. Contact the BUV for more information.

Policy Creation, Review and Communication

All churches have policies. Whether or not they are written or managed is another matter. Policies:

- Help to avoid confusion, mistakes
- Assist with consistent procedure, and give people a point of referral
- Clarify how to do things and who is responsible

Policies do not have to be complex. In fact the simpler, the more likely they are to be read and understood.

Store them in one place, either in printed copy or in one file on the computer.

A good place to start with when creating a policy is the internet. The BUV has a number of policies on its website, which your church might adapt.

Have some system for reviewing policies and communicating them with staff and relevant people in the church.

Remember the church constitution is the overriding policy document and may dictate how church policies are implemented. The BUV Sample Church Constitution, for example, say *8.0 The adoption of a policy requires the approval of a majority of the members who are present and who vote at a church meeting.*

The following is a list of policies. Some would be applicable for all churches and this list is not extensive.

- Finance Policy - This might be all inclusive or several policies, such as Purchasing Policy, Finance Committee Policy, and may encompass some of the policies mentioned below.
- Church leadership Policies & Procedures
- Risk Management Policy

- Occupational Health and Safety Policy
- Safe Church Policy
- Bookstore / Coffee Shop Policies
- Offering / Cash Handling Policy
- Childrens' Ministry Policy
- Employment Agreement
- Employment Policy, including Training
- Conflict of Interest Policy & Disclosure Form
- Credit Card Policy
- Disaster Recovery and Data/IT Backup Policy
- Archive / Document Retention Policy
- E-Mail / Internet / Social Media Policy
- Cyber Safety Policy
- Emergency Management Plan - This would include evacuation
- Facilities Policy - Usage and Hiring
- First Aid Policy
- Fixed Asset Policy
- Funeral Policy
- Gifts for Staff Members and Volunteers Policy
- Internet Policy
- Love Gift Policy
- Privacy Policy
- Short Term Missions Trip Policy
- Travel Policy
- Wedding Policy
- Workplace Safety Policy

Emergency Management Plan

Not strictly compliance, an Emergency Management Plan is very important. To give careful consideration to possible scenarios (eg. fire) should be on the church radar. Some great resources can be found at:

<https://www.business.gov.au/risk-management/emergency-management>

First Aid Training

The First Aid Code of Practice can be found at

<https://www.safeworkaustralia.gov.au/system/files/documents/1705/mcop-first-aid-in-workplace-v3.pdf>.

It states, "This Code provides information on using a risk management approach to tailor first aid that suits the circumstances of your workplace, while also providing guidance on the number of first aid kits, their contents and the number of trained first aiders that are appropriate for some types of workplaces. The risk management approach involves the following four steps (summarised in Appendix A):

- *identifying hazards that could result in work-related injury or illness*
- *assessing the type, severity and likelihood of injuries and illness*
- *providing the appropriate first aid equipment, facilities and*
- *training reviewing your first aid requirements on a regular basis or as circumstances change”*

Test and Tag

Occupational Health & Safety regulations now require all electrical appliances be maintained to a safe standard. More information can be found under *Test & Tag* at <https://www.buv.com.au/resources/finance-admin/>

Contacts

Church Database

Churches will usually have a church office database, and should consider privacy in relation to storage and sharing that information. Often information is stored on a local computer. These days there is also web based software, such as Community Church Builder (<https://www.churchcommunitybuilder.com/>) which is used, and can be accessed on any computer or device in the internet. Details of where to find your church database:

The Baptist Union

The BUV database has a great database, but it works best if it up to date. Please send updates to data@buv.com.au.

Baptist Union of Victoria

1193 Toorak Road, Camberwell, 3124

Postal Address: PO Box 377, Hawthorn Vic 3122

Hours of Operation: Monday to Friday 9am - 5pm

Phone (03) 9880 6100

Email buv@buv.com.au

ABN 67 934 884 236

Business Contacts

Service	Company	Contact
Photocopiers		
Phones		
Mobiles		

Plumber		
Electrician		
Cleaning company		
Auditors		
Maintenance		
Computer/IT		
Finance Package		
Legal		
Fire Services		
Evacuation Management		
Security monitoring		
Airconditioning		
Audiovisual		
Insurance	Baptist Insurance Services	Chris Mackenzie - Manager, Insurance Operations Email: insurance@baptistinsurance.com.au PO BOX 377 Hawthorn Victoria 3122 Phone : (03) 9880 6166 Fax : (03) 9880 6123 Web: www.baptistinsurance.com.au
Key locksmith		
Investment company		
Storage		

Church heating		
Baptcare		1193 Toorak Road Camberwell VIC 3124 PO Box 230 Hawthorn VIC 3122 Phone: (03) 9831 7222 Email: mailto:info@baptcare.org.au www.baptcare.org.au
Bank contact		
Baptist Financial Services		Jeremy Peet 9880 6199 jeremy@bfs.org.au

Church

Office	Name	Contact
Senior Minister		
Church Chair		
Church Secretary		
Treasurer		
Property Committee convenor		
Music Director		
Newsletter editor		

More Information

More information for Not For Profit organisations can be found at:

<http://tv.ato.gov.au/ato-tv/channel?c=c-b6bh5x9>

ato.gov.au/NFPgettinghelp

Appendix

Note: this list may contain or omit items particular to your church. You should edit it accordingly. If you are unclear if your church is required to comply with an item on the list check this document or contact the BUV Financial Services Consultant.

- Your Church Constitution

Mandatory Checklist for Church Finance / Admin

Item	Due
ACNC	
<input type="checkbox"/> Annual Information Statement	Within 6 months of your church end of financial year
<input type="checkbox"/> Annual Finance Report	Within 6 months of your church end of financial year (If your church is not registered with ACNC as a "Basic Religious Charity")
Australian Taxation Office	
<input type="checkbox"/> Business Activity Statement (BAS) Quarterly (PAYG monthly on IAS)	
<input type="checkbox"/> Goods & Services TAX (GST)	
<input type="checkbox"/> Pay As You Go (PAYG)	
<input type="checkbox"/> Fringe Benefits Tax (FBT)	March 31 reconciliation
<input type="checkbox"/> Franking Credits	No due date
Reporting	
<input type="checkbox"/> ³ Financials periodically to your church leadership determines	As our church determines
<input type="checkbox"/> Annually to your church	As per church constitution
<input type="checkbox"/> Budget year	Prior to new church financial year
<input type="checkbox"/> Audit	Annually after your church end of financial year
<input type="checkbox"/> BUV	Statistical Return due April

Payroll

³ eg. Balance Sheet, Income Statement, Cash Flow update, budget tracking

- | | |
|---|--|
| <input type="checkbox"/> Pay on time | As per Employment Agreements |
| <input type="checkbox"/> Exempt payments (Non-cash) | By arrangement with Pastor/s |
| <input type="checkbox"/> Superannuation | Due 28 th Quarterly |
| <input type="checkbox"/> STP finalisation | To employees by July 14 |
| <input type="checkbox"/> Workcover | Return and payment as determined by your Workcover company |

Recommended Other Items Checklist for Church Finance / Admin

Item	Due
<input type="checkbox"/> General Policy Review	Annually
Particular Policy Review	Annually
<input type="checkbox"/> Privacy Policy	
<input type="checkbox"/> Safe Church Policy	
<input type="checkbox"/> Cyber Security Policy	
<input type="checkbox"/> Risk Management Review	Annually
<input type="checkbox"/> Occupational Health & Safety Review	Annually
<input type="checkbox"/> Asset Register Review	Annually
<input type="checkbox"/> First Aid Training	Annually
<input type="checkbox"/> Copyright Review	Annually

ⁱ Information provided by Murray Nichols, Seward Dawson 8 May 2019