

Parish of Drumcondra, North Strand, and St Barnabas
Registered Charity No. 20001964 CHY 1280

Internal financial controls

Income Stream

The Parish has a number of different income streams which operate in the parishes. These include voluntary income, fundraising, investment income and other income.

Voluntary income arises from weekly envelope collections, plate collections and standing orders collected from the Parishioners. Each week those who make the collections complete a weekly returns sheet. This sheet includes details as follows:

- The time and date of the service
- The amount collected in the envelopes.
- The Plate Collection
- Details of any other collection being held on the day.
- The amount lodged.
- The date lodged.
- Total un-lodged (unusual as all monies are normally lodged without deduction of expenses) This is often because some branches of the bank do not take loose coins only full bags.

Each church maintains its own records, and these are assigned in the account's spreadsheet by the Hon Treasurer who will check the sheets prepared by the Church Wardens.

The cash/cheques taken during the church plate collections are usually counted by the Church Warden who counts the cash and prepares the sheet as detailed above.

When the envelopes are collected and opened the amount that is included within the envelope is recorded in a physical cash book under the envelope number. There is no name assigned to the envelope in these records to protect the donor's confidentially.

The sheet must be signed by the individual responsible for collection and counting the envelopes (usually the Church Warden takes responsibility for this). This is then returned to the Hon Treasurer. If there is any amount which has not been lodged this is recorded on the sheet and the reason for same detailed on the sheet. The amount on the weekly return sheets is checked against the amounts recorded for that day in the physical cash receipts book.

The standing orders that are received are checked by the Hon Treasurer when the bank reconciliations are done, and are included on the accounts excel spreadsheet.

All monies received during the plate and envelope collections are held in the church safe (each of the church has its own safe) Access to the safe keys is restricted. Under the insurance policies the money is held in the safe for three days. The Hon Treasurer/Church Warden will collect the lodgements and bank them in the appropriate bank account. When the lodgements are made the Hon Treasurer will agree them to the bank statements/ cash sheets. Lodgements are done regularly and as required. All cash is lodged gross and the only cash held in the Parish is the €50 petty cash float maintained by the Hon Treasurer.

There is adequate insurance cover in place to cover the contents of the safes and cash in transit. This level of cover is reviewed regularly with the Insurance Company.

All cash and cheques that are received are recorded by the Hon Treasurer in the excel spreadsheets showing the date, the amounts received and the name of the donor (if available) or source of income. The Hon Treasurer will

also document whether the funds received are restricted, un-restricted or designated. For the envelope collections the envelope secretary will issue receipts to the donors. This is checked by the Hon Treasurer as part of the reconciliations.

The Hon Treasurer will also issue a written receipt when the cash/cheque is received acknowledging the date and the amount.

The Hon Treasurer is responsible for the bi-monthly bank reconciliations and there are no independent reconciliations performed by others to ensure that cash and cheque income records agree with the cash sheets and bank statements. This is not feasible given the size of the organisation. However, the finances are discussed at all of the Select Vestry meetings and this is also spot checked by the independent auditor during the year end audit work.

Fundraising and Public Collections.

The Select Vestry follows the guidelines for Charitable Organisations on Fundraising from the Public as set out on <https://www.charitiesregulator.ie/media/1083/guidance-for-fundrasing-english.pdf>

The Select Vestry regularly monitors its compliance with these guidelines and is committed to complying with same.

The Parish will ensure that all permits are obtained as required for raffles etc. The Parish does use church plate collections but does not use collection boxes/buckets.

The Parish also does not use professional fundraisers for collection/fund raising activities.

For the church fete the income from each stall is recorded on sheets (similar to the sheets used to record the church plate collections). The money is counted by two/three people and then the sheets are given to the Hon Treasurer who will record them in the excel spreadsheets.

When the Parish runs events such as BBQs and family days it will sell tickets. Tickets would be printed on home computers and would not be sequentially numbered. They would be made available for sale from designated individuals at a set price. The number of tickets sold would be reconciled to the cash received by the Hon Treasurer and is recorded on the account's spreadsheet. The Hon Treasurer does keep a separate folder for each event showing the income and the associated expenditure. These events are also recorded separately on the accounts excel spreadsheet.

Trading income

The Parish does not have any trading income and is not registered for VAT.

Grant Income

Where possible the Parish will look for grants to help with its charitable purpose and for the upkeep of the historical buildings. When grants are received the Hon Treasurer will keep a file which includes the grant documentation received from the funder. Where necessary a signed copy (by both parties) of the grant documentation is maintained on file. The Hon Treasurer will also ensure that any conditions that are set out by the funder are met and will minimise any potential clawbacks.

All grant income is lodged directly into the Parish bank accounts and will be reconciled by the Hon Treasurer to the original documentation as part of the reconciliation process.

Charitable Donation Scheme

The Select Vestry avails of the charitable donation scheme operated by the Revenue Commissioners. The Hon Treasurer administers the scheme to ensure that the charity maximises the allowable tax relief on donations. The Hon Treasurer maintains a file which contains the Enduring Certificates (CHY3 Certs) or Annual Certificates (CHY4 cert) that are received from the Parishioners/donors.

The claim is made annually, and the Hon Treasurer ensures that all eligible tax repayments are obtained.

Copies of the certs and the records of the eligible tax repayments are maintained by the Hon Treasurer.

The Hon Treasurer will match the lodgements from the Revenue Commissioners to the claims made.

Other Income

The Hon Treasurer will keep detailed records of any other income which is received by the Parish. This is recorded on the excel spreadsheets and agreed to the bank statements/cash sheets as appropriate. Any other income is appropriately classified in the accounting system so that it can be separately identified and reported accordingly at year end.

If there is any income from legacies then this is recorded by the Hon Treasurer and whether it is to be restricted, unrestricted or designated. All documentation relating to same is kept on file.

Income recognition

Income is recognised when it is received, and the accounting policy is in line with appropriate accounting standards. Income is recorded in such a manner that is readily identified as to whether it is restricted, unrestricted or designated.

Expenditure

Petty cash

The Hon Treasurer operates a petty cash float of €50. No expense more than this amount can be paid by cash. All requests for payment must be accompanied by receipts and where possible the Hon Treasurer requests that the receipts are made out in the name of the parish. It is usually only members of the Select Vestry who will be reimbursed through the petty cash account. These expenses would normally be for costs incurred by the Select Vestry for Parish expenditure such as postage, minor repairs etc. When petty cash is required to be topped up then a payment is made from the Parish bank account to the Hon Treasurer. Any expenditure (once it is accompanied by a receipt) in excess of €50 is reimbursed by bank transfer.

A record of petty cash is maintained by the Hon Treasurer in an excel spreadsheet. One weakness here is that there are no regular independent checks performed on the petty cash float and records held mainly due to the size of the petty cash float and the Parish.

Other expenditure

All expenditure over €250 requires the approval of the Select Vestry. All Expenditure over €2,000 required the person appointed by the Select Vestry to obtain a number of quotes. The Select Vestry will decide which quote is best value and approve the expenditure. A purchase order system is not operated as it would not be feasible to do so.

When expenditure is approved, and the invoice is received it is checked by the Hon Treasurer to ensure that it is correct and that the invoice is issued in the name of the parish. If there are any issues noted, then these will be investigated before payment is approved. The purchase is included on the excel sheets by the Hon Treasurer when it is paid. The Hon Treasurer will also perform regular supplier reconciliations.

Once the invoice has been approved for payment it requires two signatories to make the payment. It is not possible for any payment to be made from the bank accounts by one individual only. Pay runs are made as required. All payments if possible are made from the Parish bank account electronically. This requires two signatories before the Electronic Fund Transfer can be made. The bank accounts have up to four signatories on their mandates.

The Hon Treasurer will make regular reconciliations between the amount authorised, the amount that leaves the bank account, the invoice amount and what is recorded in the accounts. Any discrepancies are examined and

resolved. Due to the size of the finance function, it is not possible for someone other than the Hon Treasurer to check the entries in the accounts. The Parish rely on sample checks being completed as part of the year end audit.

For the likes of light, heat, and water rates these are paid by Direct Debit out of the bank accounts. The invoices are checked when they are received against the amounts being taken out of the bank account and any discrepancies will be investigated. Each January the Hon Treasurer will check with utility companies and get quote for the coming year and bring the best quote to the Select Vestry.

As part of the accounts process the Hon Treasurer will record whether the expenditure is restricted, unrestricted or designated. This is easily identifiable from the accounting records.

The Parish does not generally pay travel and subsistence costs. The only exception to this is for Relief Clergy and Relief Organists. The amounts that should be paid are set out in the governing documents of the Church of Ireland. Parishes cannot vary the amounts of these payments.

There are no debit or credit cards linked to the parish bank accounts.

Bank accounts

The Parish operates a number of current accounts. Its main current accounts are held with PTSB. It also holds a deposit account with this institution. The parish hold National Security Bonds issued by An Post. There is a Graveyard account held with AIB Bank. The Parish does not have any bank loans, nor does it have any overdraft facilities. There are no dormant accounts. The main day to day operations of the Parish is run through the current account held with PTSB. Any opening/closing of bank accounts must be authorised by the Select Vestry. Currently there are four signatories on the bank accounts. There can be no changes to the authorised signatories unless approved by the Select Vestry.

Bank reconciliations are performed regularly by the Hon Treasurer. This allows the accounts to be monitored to ensure that there is no unauthorised use of the accounts. At each Select Vestry meeting the bank balances and reconciliations are presented to the Select Vestry.

Lodgements are done as required and in accordance with the conditions set out by the Insurance company. There is appropriate insurance cover in place to cover cash in transit/ and the contents of the safes.

Until such time as the lodgements is done the cash is held securely in the safes in the Churches. (Access to the keys to the safe are restricted to authorised personnel). When a lodgement is prepared, it is put into a lodgement bag (usually by the Church Wardens) and there is a description of the amount and denominations included with the lodgement. Lodgement books are used to record details of the lodgements. When larger lodgement are made after fundraisers such as the Parish Sale etc. the person making the lodgement is accompanied by two or more persons depending on the lodgement amount in line with requirements of the parish insurers.

The amounts that are lodged are checked back to source documentation by the Hon Treasurer when the bank reconciliations are prepared, and any discrepancies are investigated at this point.

Payments

For all payments out of the bank account two signatories are required. The value of the transaction does not matter. Where possible payments are made by direct debit, standing order or Electronic Fund Transfer. Standing orders and direct debits are checked by the Hon Treasurer when the bank reconciliations are completed.

For Electronic Fund Transfer there are two signatories required before the payment is authorised (the Hon Treasurer and one other). Each of the signatories have their own personal log on details which must be entered to allow them access to the payment runs. Each have their own personal codes and passwords. These are not shared among other members of the Select Vestry. Therefore, access to online banking is appropriately restricted. The PINs and Passwords are changed when required to do so. If one of the authorised users leaves the Select Vestry then their access to the online bank is cancelled with the bank and a new authorised user appointed.

As with electronic payments all cheques must be signed by two authorised signatories. The cheque book is kept in a locked filing cabinet by the Hon Treasurer. One weakness is that sometimes the Rector will sign a couple of blank cheques. However, a second signatory is required before the cheque can be issued, and evidence required. Cheques from the Rectors Support Fund does require two signatures, but the Rector is the only one that knows who the cheque is for. This could be a Parishioner, club etc. Due to the sensitivity of these cases the select vestry does not always know to whom or why these cheques have been written. All sterling payments requires that two authorised signatures present at the bank with ID to purchase a sterling Draft.

Restricted funds and designated funds

As mentioned before the Parish has both restricted funds and designated funds. There are appropriate procedures and documentation in place in respect of these funds. This enables that any restrictions placed on the funds are made known to the Select Vestry which ensures that they cannot be used for any other purpose. The Hon Treasurer has separate codes set up in the accounts which identifies these funds. It also ensures that they are separately identified in the financial statements.

As with all payments two signatories are required to use the funds for their designated purposes.

Assets and investments

The parish has a number of heritage assets. These include the churches, the graveyard and parish hall. They are not included within the financial statements as information on their cost or valuation is not readily available and such information cannot be obtained at a cost commensurate with benefit to the users of the accounts.

There are no other fixed assets booked in the accounts such as plant and machinery, motor vehicles etc. Silverware etc. has been fully written down over the years. A full inventory is kept and regularly checked by the Diocese.

The Parish does have access to three residential properties – the Rectory (in which the Rector resides) and two other properties which are rented. These properties are rented under lease agreements which are drawn up by the legal department of the RCB and a monthly rent is paid directly into the Parish bank accounts. These rents are checked by the Hon Treasurer during the monthly bank reconciliations. These properties were last valued in 2021 following a review of property prices by revenue. The property valuation was based on the current property prices and this valuation is used for discharging the LPT requirements on the properties.

Investments

The investments held by the Parish are a number of Solidarity bonds which are kept under lock and key and also investments in RCB Unit Trusts. National Solidarity Bonds are State guaranteed and therefore their value will not change year on year. They are held for 10 years.

The RCB Unit Trusts are a fund maintained and operated by the RCB. Valuations of the investments are issued bi-annually to the Select Vestry. The investments are supported by the supporting documentation showing clearly who holds title to the units. There are no investments held other than the RCB trust units. These funds are managed by the RCB in line with procedures set out by the Church of Ireland.

The Hon Treasurer ensures that the investments are appropriately accounted for in the financial statements and they have their own code within the accounting system so that they are separately identifiable.

Other

Mail

All mail addressed to the Hon Treasurer/Clergy/Hon Secretary is opened as soon as it is received therefore there is no un-opened mail which is required to be kept at a secure location. Due to the size of the organisation and the fact that the Parish is comprised of three geographical locations is it not feasible for the post to be opened in the presence of two people. All correspondence is brought to the Select Vestry meetings and the Trustees made aware of the correspondence that has been received since the last meeting.

Risk Management

The Select Vestry use the guidelines set out in the Charities Regulator's Guidelines on Risk Management to identify risks that the charity might face. They will also identify and analyse risks in terms of likely occurrence and severity. These will be discussed and minuted. There is also a risk register and risk management policy in place.

The annual budget is prepared by the Hon Treasurer based on the actual results and a knowledge of the parish each year. This annual budget/plan is agreed and approved by the Select Vestry. Large/unusual variances between actual and budgeted are identified and are reviewed when they occur. The annual budgets and management accounts are used by the Select Vestry and the Hon Treasurer to review the resources available to the Parish. They also form the basis of deciding how to maintain/increase resources, to identify fund raising requirements and activities and to ensure that there are appropriate resources available to ensure that the Parish can continue with the charitable activities that it was established for. This forms part of the Select Vestry Minutes (Select Vestry minutes are not provided to the Auditor as part of the audit based on legal advice received by the Select Vestry).

Trustees

Trustees are appointed in accordance with the Constitution of the Church of Ireland. Elections to the Select Vestry are done at the Easter Vestry and records of the appointments kept (Signed Charity Trustee Declaration of Select Vestry Members). There is no set period of time that a Trustee can hold the position set out in the Constitution of the Church of Ireland.

There is a Code of Conduct in place for the members of the Select Vestry (Trustees) that must be read by each Trustee. This Code of Conduct needs to be signed by the Trustee. The signing of which confirms that the Trustee agrees to and will adhere to the Code of Conduct.

Upon acceptance of the role of Trustees the following documents are available to them to assist them in performing their roles:

<https://www.ireland.anglican.org/cmsfiles/df.Resources/Parishresources/Selectvestry/Charity-Trustee-Duties-11-01-17.pdf>

<https://www.ireland.anglican.org/cmsfiles/pdf/Resources/ParishresourcesSelectVestry/Introduction-to-Serving-on-a-select-vestry-11-01-17.pdf>

Any of the officers who are appointed are given the appropriate guidance by the Church of Ireland and there are a number of guidance documents to assist with this. These are set down and regulated by the Church of Ireland (see www.ireland.anglican.org). The Parish handbook is also contained on this site. New Trustees also receive an Induction Pack from the parish which includes direction to the Parish Handbook, copies of all parish policies, minutes of recent select vestry meetings and a link to the Charity Code of Governance. Also, the Select Vestry members and the Chair of the Select Vestry will attend training provided by the Dublin and Glendalough Dioceses. The dates of this training are minuted.

The Select Vestry meets up to 10 times a year. These meetings are called and run in accordance with the guidelines set out in the Constitution of the Church of Ireland. At a minimum the following must be addressed during the meetings:

- Report on activities
- Review of finance
- Conflicts of interests and loyalties
- Child Safeguarding
- Correspondence

Minutes must be kept by the Hon Secretary which will document attendance, decisions and actions taken by the Select Vestry.

There is a quorum required of Trustees that must be met before the meeting can go ahead.

Monitoring

Each year a budget and cash flow is set by the Hon Treasurer and this is compared to actual at the end of each year. Budgets are prepared based on actual results along with a detailed knowledge of how the Parish is operating, its sources of income, its required expenditure etc. All of this is discussed regularly by the Select Vestry and any large variances between actual and budgeted are explored.

Management accounts are prepared by the Hon Treasurer and are presented to the Select Vestry at each meeting. (The Audit annual accounts are made available to the Parishioners at the Easter Vestry once they have been approved by the Select Vestry). The Hon Treasurer is also responsible for filing the annual reports with the CRA, the Dublin and Glendalough Diocesan Office and for forwarding any information to the Revenue Commissioners.

The management accounts will include the results to date, bank and cash balances and a comparison of budgeted versus actual.

The Treasurer keeps the day-to-day accounting record on excel sheets and then this information is input into the computerised accounts package. This allows the Hon Treasurer to check the accuracy of the postings to the excel spreadsheet.

Also, the Trustees will carry out a review of internal controls to ensure that the Parish is operating in such a manner to ensure that risk is minimised to an acceptable level and that the level of controls is appropriate to satisfy any requirements set out by the Charities Regulatory Authority.

The Parish does not have the capacity to have an audit committee. The Hon Treasurer will liaise with the auditor.

Books and records


All digital financial records shall be held on a password protected computer.

All hard copy financial records shall be kept secure.

All financial information is kept for a minimum of seven years by the Hon Treasurer and after this period documentation is shredded as appropriate.

Created November 2020

Review Annually

Chairperson/Rector Signed 

Date approved by the Select Vestry 2 May 2023

Minutes reference to Review: Hon Secretary Minutes of 2nd May 2023

Property vacated and preparing for new tenant.

The following is a list of items that need to be adhered to

1. Inform the insurance company.
2. Inform the RCB.
3. Read meter (Gas & Electrical) ensure the bills are transferred into the parish name.
4. Check that all rubbish has been removed.
5. Check that all the tenant property has been removed.
6. Check that none of the items on the inventory list has been removed.
7. Inspect the property.
8. Make a list of repairs and replacements to be carried out.
9. Get quotations for Select Vestry approval
10. The Select Vestry use a local estate agent to advertise the tenancy.
11. Contact the RCB to register the new tenancy with the RTB.
12. Contact the RCB for their solicitor new tenancy agreement.
13. 12 Give a copy to the Hon Treasurer for the auditor

Vacancy and preparing the rectory for new Rector.

1. A vacant parish does not pay the clergy costs part of the Diocesan assessment.
2. Diocesan architects inspect rectory and suggested improvements to be made
3. Glebe wardens receive quotes for the work and bring quote to the Select Vestry to discuss and approval.
4. During the vacancy, the Archbishop appoints a priest to be in Pastoral Care of the vacant parish. The Pastoral Care allowance is €100 per week.
5. Relief clergy are paid for taking services.

Vacancy & Relief Duties & Pastoral Care Allowances

The rates payable to retired and non-parochial clergy taking services during vacancies, illness, and holidays for the triennium January 2020 until year end 2023.

<u>Services</u>	One	€60
	Two (or more on the same day in the same parish)	€100
<u>Mileage</u>	(Including Non-Stipendiary Ministers and Lay readers)	€0.80 per km

Notes

- Without prejudice to existing situations or customs, select vestries are required to bear the cost of relief duty for reasonable periods of holidays except where parish also has a curate.
- On the basis that they will continue to receive the full stipend and allowance for up to six months of sickness – thereafter the situation depends on the individual circumstance – clergy are required to bear the cost of sick Duty Relief; this can be afforded out of either their disability Benefit or out of a State pension where they have reached the age at which this is payable.
- When Non-Stipendiary ministry and lay readers may not receive payment for taking services, they should in all cases be adequately recompensed for out-of-pocket expenses such as travelling, meals, telephone calls, stationary etc.
- During a Vacancy, the Archbishop appoints a priest to be in Pastoral Care of the Vacant parish. The Pastoral Care allowance is €100 per week.

Stipendiary Clergy are not entitled to payment for services, though they are entitled to travelling (etc.) expenses.

Non-Stipendiary Minister & Lay Readers A minimum payment applies for expenses at €50 unless the expenses incurred exceed this amount then the higher amount is paid.

Relief Organists

Relief organists are paid in line with the recommended rates for occasional work as set out by Church Music Dublin on their website www.churchmusicdublin.org