



MANUAL FOR POSITION
OF
PARISH TREASURER

introducing people to Jesus
and helping them home to heaven

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WELCOME

Thank you for your willingness to fill the role as Treasurer in your parish.

This manual is designed to assist you to understand not only what a treasurer does but some of the rationale and background behind many aspects of liaising with the Diocesan Registry.

To this end this manual may also be helpful not only to the Parish Treasurer but also to the Parish Administrative Officer and anybody making regular payments on behalf of the parish. In most cases these roles will be filled by just one person, but some parishes have a treasurer (who has oversight and attends Parish Council meetings etc) and others carrying out the day to day paying of stipends, accounts, banking etc.

1800 NUMBER

In order to assist you and parishes to communicate with Registry staff a 1800 number has been set up for the use of Parish Secretaries, Treasurers and Clergy in obtaining answers to queries that arise in the roles they exercise in the parish. **1800 609 968**.

Diocesan Website

There are many helpful resources available on the Diocesan website. The address is: <http://www.armidaleanglicandiocese.com/home> .

On the home page there is a log in section where a Frequently Asked Questions (FAQ) section has been setup by the Registrar. The username is: 'parish'. The password is: 'letmein'.

RECOMMENDATIONS

General

It is expected that, as a general practice, all matters relating to counting offertories or expending moneys will be done with two people or two signatories. Please refer to our Diocesan code of conduct, 'Faithfulness in Service' (<http://www.armidaleanglicandiocese.com/faithfulness-in-service>) page 34 paragraph 8:13.

Accounting/Book-Keeping

While there is no requirement at present for all Parishes to comply with a Diocesan standard, it may be worth bearing the following points in mind.

- The Diocesan preferred method is for parishes to use MYOB AccountRight software.
- In setting out reports, all income is to be included. Clearly identifying income which is excluded from assessment calculations and expenditure which may be deducted from assessable income is helpful to the Registry and beneficial to the parish.

Checking the Parish Book Keeping

1. The Parish or Special District, in its financial presentation to its AGM, is required to have its statement of income and expenditure completed in such manner that they correctly reflect the true financial position for each financial year. While not required by ordinance, it is also recommended that the cash balance of the Parish or Special District also be reported to the AGM each year.
2. To confirm the accuracy of the Parish or Special District's AGM financial report, each Parish or Special District is required to have its financial records checked by an Independent Assurance Practitioner. A report from the Independent Assurance Practitioner should be tabled with the annual financial statement at the AGM. A formal audit is not required.
3. A copy of the annual financial statement and the Independent Assurance Practitioner's report are to be forwarded to the Registrar by 31 October each year.

SUGGESTED CHART OF ACCOUNTS

This chart has a number system which is designed for computer accounting but does not preclude use in spreadsheets or physical books. The suggestion would be that you take from the list as many of the accounts as you need (if you feel you need more in various sections then they could be added). The major categories of the chart would assist in achieving uniformity between Parish accounts.

An electronic copy is available.

The suggested Chart of Accounts is set out in Appendix 1.

CLERGY PAYMENTS

- Stipend – Parish Councils should determine what they will pay their ministry staff, taking into account the minimum amount set by the Diocese each year. See "What is the Schedule of Stipends and Allowances for 2018-2019" on the FAQ page of the Diocesan website.
- PAYG tax – historically clergy do not receive annual leave loading and therefore the appropriate tax scale should be used.
- Allowances –
 - Car
 - Book & Technology

Allowances are generally paid into the clergy's ministry expense account. If allowances are paid to the clergy (as opposed to going through their ministry expense account) they are deemed as income and therefore taxable.

- Each year the Parish or Special District should enter into an Annual Ministry Expense agreement with each of their clergy. This agreement should include those amounts paid into the Ministry Expense Account including any optional Salary Sacrifice amounts and an agreed list of items that the money may be spent on. Dollar

amounts do not need to be applied to this list. For more information on Ministry Expense Accounts, including a list of what expenses may be paid from a Ministry Expense Account, see "What are Ministry Expense Accounts and how do they work?" on the FAQ page of the Diocesan website. It is recommended that clergy submit monthly Ministry Expense Account claims to the parish treasurer complete with all appropriate receipts.

- Entertainment Allowance – is paid to the clergy spouse on presentation of a claim. Some record needs to be kept by the claimant in the event of a personal tax audit but not necessarily presented to the treasurer. Any amount unclaimed at the end of the financial year can be paid to the clergy as income (and therefore taxable).
- Parishes and special districts and Diocesan agencies that employ clergy are to meet mobile and landline telephone costs of the clergy, less the costs of any international calls that are not ministry related, private STD calls and significant local call usage by clergy or their families. E-mail is part of ministry in the 21st century as is access to the internet. Parochial districts should therefore bear the cost of a basic internet package for clergy. Wider family usage can, however, quickly consume the data allowances attached to basic internet packages. In such circumstances, the clergy family should meet the additional costs of a larger data allowance.
- Parochial districts are to meet the energy and utility costs of clergy and ministry staff
- It is expected that parochial districts will provide housing for an Incumbent and any other clergy ministering in a parochial district. In the event that the Diocese, parish or special district does not have a property for a clergyperson or ministry worker to live in, they may live in their own home and receive a housing allowance, provided the Bishop and the parish or special district have given their consent. The allowance should be at least two-thirds of the rent the vicarage in the parochial district in which they serve or nearest to where they are, or intend, living could attract if rented. Please also see "What are the tax and Centrelink implications for a minister having a housing allowance?" on the FAQ page of the Diocesan website.

LAY PAYMENTS

- Administrative Officer
- Youth Worker
- Cleaners

PAYG tax will usually be payable on these payments as per information from the Tax File Number Declaration form lodged by the employee.

Implications for Superannuation and Workers Compensation

Keep in mind that if an employee earns more than \$450 per month, the Superannuation Guarantee Charge is payable at 9.5% of gross earnings.

DIOCESAN PAYMENTS

Diocesan payments are billed monthly from the registry and payable monthly by the Parish.

Assessment (Quota)

Assessment is paid by each parish based on parish income averaged over 3 years at a rate set by Diocesan Council and Synod. Income is taken from each Parish's reviewed Annual Financial Statements submitted to the Diocese by 31 October each year. To see what money may be excluded from assessment calculations, have a look at the Assessment Ordinance which is to be found at: <http://www.armidaleanglicandiocese.com/diocese-and-parish-administration-ordinances>

Clergy Super (CS)

Clergy Super contributions are determined by Diocesan Council. They are forwarded by the Diocese to the fund(s) relevant to your clergy. The default fund used by the Diocese is Care Super.

Stipend Sacrifice to Super and Personal contributions to Super by clergy can also be forwarded to the Diocesan Registry to be on forwarded to the funds. Such payments need to be clearly identified as one or the other.

Long Service Leave (LSL)

The amount parishes are to contribute towards their clergy's LSL is determined by the LSL Board. This money is forwarded to the LSL Board. When clergy request to take LSL the board is advised and funds forwarded to the parish via the Diocese. PAYG tax is payable on both the LSL and Sabbatical payments as outlined in the advice from the LSL Board.

Clergy Accident and Sickness Insurance (CASI)

CASI amounts are as per the Schedule of Stipends and Allowances. These amounts are used to pay the premium for Stipend Continuance Insurance for clergy. CASI is essentially Workers Compensation for clergy.

Synod Fees

Parishes are billed for the costs (meals and accommodation) of their representatives who attend Synod.

Diocesan Clergy Conference, Sector Conferences and Ministry Wives Conference

Parishes are billed up to \$150 per ministry staff member for the cost of that person to go to clergy conference and sector conferences, and for their wife to go to Ministry Wives Conference.

Insurances

Parishes will be invoiced annually for insurance policies which are arranged by the Diocese. Insurances covered include: Property and Contents Insurance, Public Liability, Professional Indemnity, Directors and Officers Liability, Contract Workers Liability, Voluntary Workers, Personal Accident, Group Travel and Transit (removals).

GST is deducted from the total amount before any individual parish or special district amounts are calculated.

There is also a premium for Worker's Compensation. The Workers Compensation Insurance Policy runs from February to February and is required for any lay employees in the Parish. It is based on the wages paid using actuals (retrospectively) and estimates (forward). As well as wages, any superannuation paid for lay employees needs to be included in Parish Workers Compensation returns. These returns are sent to the parish for completion in February/March each year with a relevant return by date.

PAYMENT OPTIONS

Payments to the Diocese can be made in a couple of ways:

1. By Cheque: made out to 'The Corporate Trustees of the Diocese of Armidale'.
2. By Electronic Transfer: The parish can organise for regular monthly amounts and payments to be transferred direct to the Diocesan Account. The Diocesan bank details are: The Corporate Trustees of the Diocese of Armidale
BSB 032-607 Account number: 000134

GST ISSUES

Most amounts billed by the Diocese to Parishes are GST free or not declarable because the amounts are passing between bodies within a registered group and GST is not applicable.

GST paid on bills incurred for Parish expenses (eg. Electricity, telephone, communion wine etc) can be claimed back on BAS returns.

GST incurred by Clergy for ministry expenses can also be claimed back by the Parish (this assumes the Clergy are regularly submitting their Ministry Expense reconciliations).

Any GST claimed from Ministry Expense items become funds of the parish.

REPORTING

By Clergy:

- Reconciliation and documentation of ministry expense and salary sacrifice items to Treasurer each month. Documentation should include a summary of all expenditure, and receipts for each item during the period being reconciled.

By Treasurer:

- Quarterly BAS (Business Activity Statement) to ATO
- Monthly (?) report to Parish Council
- Annual Report to Parish AGM:

When reporting payments to clergy and lay people it is suggested that only the gross stipend be shown in the accounts i.e. don't show amounts apportioned to stipend, ministry expense, salary sacrifice, PAYG.

Clergy Allowances should list:

- Car Allowance - monthly fixed allowance
- - travel costs reimbursed
- Book Allowance
- Technology Allowance
- Entertainment Allowance
- Annual reviewed accounts to Diocesan Registry by 31st October
- Advice of Mission Payments to Registry, as requested in the lead up to Synod each year.
- The Diocese will submit your ACNC (Australian Charities and Not-for-profits Commission) return each year on the basis of the parishes' AGM return.

SELLING PROPERTY

See "How does a parish go about selling buildings or land?" on the FAQ page of the Diocesan website.

DIOCESAN LOANS

Loans can be made to parishes from the Parish Assistance Fund. Typically loans have been made for renovations, extensions and assisting with clergy housing. Loans may be interest free or with interest.

Parishes may also access funds through the Bishop's Sustaining Ministry Fund (BSMF). This fund has a two-fold purpose. The first is to support ongoing ordained ministry in places within the Armidale Diocese where this would not otherwise be financially possible. Seventy Five percent of the money held within the BSMF is be used for this purpose. The second is to provide funds to assist Parishes and Special Districts to refurbish and upgrade vicarages and other clergy housing. Twenty Five percent of the BSMF is held for this purpose.

Diocesan Development Fund

Parishes and Special Districts are able to apply for a loan from the Diocesan Development Fund (DDF). The DDF has its own page within the Diocesan website. The link is:

<http://www.armidaleanglicandiocese.com/ddf>

The DDF was established by the Armidale Diocese in 1992 and re-invigorated in September 2014. The DDF is managed by a Board which reports to Diocesan Council and, in turn, Synod.

The primary objective of the DDF is to support the mission of the Diocese by encouraging investors to lodge funds with the DDF and for the Fund to then use those moneys to provide loans for projects within the Diocese and to clergy and other Diocesan employees. The DDF makes grants to the Diocese out of the income it earns.

RESOURCES

- This manual (Parish Treasurers' Manual)
- The Diocesan website: <http://www.armidaleanglicandiocese.com/home> and particularly the Frequently Asked Questions page within the login section and the Ordinances page: http://www.armidaleanglicandiocese.com/the_registry/ordinances
- .
- Diocesan Registry Staff (remember 1800 number)
- Other Parish Treasurers
- Willing people with accounting/book-keeping experience in your Parish
- www.ato.gov.au and follow links to 'for Non Profit Organisations'

APPENDIX

Appendix 1 Suggested Chart of Accounts p. 12 -16

Appendix 1**SUGGESTED CHART OF ACCOUNTS**

		Account		Tax Code
1-0000	ASSETS			
	1-1000	Current Assets		
		1-1100	Bank Accounts	
			1-1111	Bank Acc#1
			1-1112	Bank Acc#2
			1-1113	Bank Acc#3
		1-1160	Clearing Account	
			1-1161	Undeposited Funds
			1-1162	Unallocated Transactions
			1-1163	Payroll Clearing
			1-1164	Electronic Payments
		1-1170	Petty Cash Floats	
			1-1171	Petty Cash Float #1
	1-2000	Investments		
		1-2100	Investments with Diocesan Investment Fund	
			1-2110	N-T
			1-2120	N-T
		1-2200	Investments with Diocesan Development Fund	
			1-2210	N-T
			1-2220	N-T
		1-2300	Other Investments	
			1-2310	N-T
	1-3000	Fixed Assets		
		1-3100	Property	
			1-2110	Land
		1-3200	Buildings	
			1-3210	Buildings - Church
			1-3220	Buildings Ministers Residences
			1-3230	Buildings - Parish Halls, etc
		1-3300	Building Contents	
			1-3310	Contents Church Building
			1-3320	Contents Ministers' Residences
			1-3330	Contents Parish Halls
	1-9000	Sundry Debtors		N-T
2-0000	LIABILITIES			
	2-1000	Current Liabilities		
		2-1300	GST Liabilities	
			2-1310	GST Collected
			2-1330	GST Paid
		2-1400	Payroll Liabilities	
			2-1410	PAYG Payable
			2-1420	Superannuation Payable
		2-1500	Contras	
			2-1510	Sundry Contra
	2-2000	Loans		
		2-2100	Bank Loans	
			2-2110	Bank Loan -
		2-2200	Diocesan Loans	
			2-2210	N-T
			Parishioners'	
		2-2300	Loans	
			2-2310	N-T

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2-9000	Sundry Creditors		
3-0000	EQUITY		
3-1000	General Reserves		
3-1100	Reserves in XXX Account		
	3-1110	Repairs & Maintenance Reserve	N-T
	3-1120		
3-1150	Ministerial Exp. Acc. - Total (unexpended balances)		
	3-1151	Ministerial Exp. Acc. #1	N-T
	3-1152	Ministerial Exp. Acc. #2	N-T
	3-1153	Ministerial Exp. Acc. #3	N-T
3-1200	Reserves in XXX Account		
	3-1210	xxxxxxx	N-T
3-8000	Retained Earnings		N-T
3-9000	Current Year Surplus/(Deficit)		N-T
3-9999	Historical Balancing		N-T
4-0000	INCOME		
4-1000	Offertories		
4-1100	Main Church Offertories		
	4-1110	am 1 Cash	N-T
	4-1111	am 1 Envelopes	N-T
	4-1112	am 2 Cash	N-T
	4-1120	am 2 Envelopes	N-T
	4-1121	pm 1 Cash	N-T
	4-1122	pm 1 Envelopes	N-T
	4-1130	Electronic	N-T
4-1200	Branch Church Offertories		
	4-1210	Branch Church 1	N-T
	4-1220	Branch Church 2	N-T
4-1300	Other Offertories		
	4-1310	Nursing Home	N-T
	4-1320	Home Communion	N-T
	4-1330	Special Services	N-T
4-2000	Other Receipts		
4-2100	Interest		
	4-2110	Bank	FREE
	4-2120	Investment with Diocese	FREE
	4-2130	Other Investments	FREE
	4-2140	Trusts	FREE
4-2200	Weddings		FREE
4-2300	GST on Ministry Expense Accounts		N-T
4-2400	Synod Accommodation Reimbursements		N-T
4-2500	Funerals		
4-2800	Sundry Receipts		
4-3000	Parish Centre Receipts		
4-3100	Hall Hire		FREE
4-3200	Donations		FREE
4-4000	Receipts from Diocese		
4-4100	Diocesan Parish Assistance and Grants		
	4-4110	Parish Assistance	N-T
	4-4120	Archdeacon Allowance	N-T
4-4200	Parish Loan		N-T

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	4-4300		
4-5000			
4-6000	Extraordinary Income		
	4-6100	Insurance Claims Received	N-T
	4-6200	One - off Donations	
		4-6210	Specified N-T
		4-6220	Unspecified N-T
	4-6400	Legacies	
	4-6900		
4-8000	Trading/Activities Surplus		
	4-8900	Receipts within Parish	
		4-8910	Surplus from fundraising activities N-T
5-0000	COST OF SALES		
6-0000	EXPENSES		
6-1000	Ministry / Staffing		
	6-1100	Stipends & Salaries	
		6-1110	Minister(s) Stipends N-T
		6-1120	S/T Locum Minister's Fees N-T
		Clergy	
	6-2100	Allowances	
		6-2110	Book N-T
		6-2120	Car N-T
		6-2130	Entertainment N-T
		6-2140	Technology N-T
		6-2150	Travel Reimbursements N-T
	6-3100	Payments to Diocese	
		6-3110	Clergy Superannuation N-T
		6-3120	Clergy LSL N-T
		6-3130	Clergy CASI N-T
6-2000	Resources for Ministry		
	6-2100	Resources	
		6-2110	Resource Materials GST
		6-2130	Seminars & Conferences GST
	6-2200	Resources for Worship	
		6-2210	Sanctuary & Communion Supplies GST
		6-2220	Flowers GST
		6-2230	Worship Books & Booklets GST
	6-2300	Parish Donations	
		6-2310	Parish Donations to Missions FREE
		6-2320	Specific Donations to Missions FREE
		6-2330	Donation to Another Parish FREE
		6-2350	Other FREE
6-3000	Parish Administration		
	6-3100	Employment Expenses	
		6-3110	Admin. Salaries & Wages
		6-3120	Admin. Superannuation
	6-3000	Office Expenses	
		6-3210	Computer & Internet GST
		6-3220	Fares, Tolls & Parking GST
		6-3230	Postage GST
		6-3240	Printing & Stationery GST
		6-3250	Telephones GST
6-4000	Payments to Diocese		
	6-4100	Clergy Removals	N-T

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	6-4200	Insurances		N-T	
		6-4210	General Insurances	N-T	
		6-4220	Workers Compensation (Lay)	N-T	
	6-4300	Quota		N-T	
	6-4400	Synod Accomodation		N-T	
	6-4500	Vacant Incumbency Contributions		N-T	
6-5000		Professional services			
	6-5100	Accounting/Audit		GST	
	6-5200	Banking services		FRE	
	6-5300	Govt Charges		N-T	
6-6000		Property Exp. (Parish Use)			
	6-6100	Churches			
		6-6110	Electricity	GST	
		6-6120	Gas	GST	
		6-6130	Rates & Taxes	FRE	
		6-6140	Repairs and Maintenance	GST	
		6-6150	Replacement Items	GST	
		6-6160	Cleaning Requirements	GST	
	6-6200	Clergy Housing			
		6-6210	Electricity	GST	
		6-6220	Gas	GST	
		6-6230	Rates & Taxes	FRE	
		6-6240	Repairs and Maintenance	GST	
		6-6250	Replacement Items	GST	
		6-6260	Cleaning Requirements	GST	
	6-6300	Parish Hall			
		6-6310	Electricity	GST	
		6-6320	Gas	GST	
		6-6330	Rates & Taxes	FRE	
		6-6340	Repairs and Maintenance	GST	
		6-6350	Replacement Items	GST	
		6-6360	Cleaning Requirements	GST	
	6-6500	Lease/Rent for Assist. Min.			
6-7000		Capital Payments			
	6-7100	Repayment of Loans			
		6-7110	Loan Interest	FRE	
		6-7120	Loan Principal	N-T	
	6-7200	Equipment Purchases		GST	
6-8000					
	6-8900	Payment within Parish			
		6-8910	Shortfall in fundraising activities	N-T	
8-0000		OTHER INCOME			
	8-1000	Fundraising Event Income			
		8-1100	Fundraising Events Income		
			8-1110	Sales	FRE
			8-1120	Ticket Sales	FRE
	8-1999	Trf Deficit to Parish Acc's		N-T	
8-2000		Ministry Activities Income			
	8-2100	Ministry Activities Income		N-T	
	8-2999	Tfr Deficit to Parish Acc's		N-T	
8-4000		Property Income			
	8-4110	Lease Rentals		GST	
	8-4120	Licenced Use Fees		GST	
	8-4130	Casual Booking Fees		GST	
	8-4510				

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	8-4999	Trf Deficit to Parish Acc's		N-T
8-7000	Mission Receipts			
	8-7100	Missionary Societies		
		4-7110	ABM	N-T
		4-7120	BCA	N-T
		4-7130	CMS	N-T
			etc	
	8-7200	Local Bodies		
		4-7210	THC	N-T
		4-7220		N-T
		4-7230		N-T
	8-7300	Special Appeals		
		4-7310	Tsunami eg.	N-T
	8-7400	Unspecified		N-T
9-0000	OTHER EXPENSES			
9-1000	Fundraising Event Expenses			
	9-1100	Fundraising Events Expenses		
		9-1110	Set-up Materials	FRE
		9-1120	Items for Resale	FRE
	9-1999	Trf Surplus to Parish Acc's		N-T
9-2000	Ministry Activities Expenses			
	9-2100	Ministry Activities Expenses		N-T
	9-2999	Tfr Surplus to Parish Acc's		N-T
9-4000	Property Exp. (Commercial Use)			
	9-4100	Utilities		
		9-4110	Electricity	GST
		9-4120	Gas	GST
		9-4130	Rates & Taxes	FRE
	9-4200	Maintenance		
		9-4210	Electrical Repairs	GST
		9-4220	Plumbing Repairs	GST
		9-4230	Painting	GST
		9-4240	'Handyman' Repairs	GST
		9-4250	Replacement Fittings	GST
		9-4260	Cleaning & Waste Removal	GST
	9-4400	Agency Management Fees		GST
	9-4510			
	9-4999	Trf Surplus to Parish Acc's		N-T
9-7000	Mission Disbursements			
	9-7100	Missionary Societies		
		9-7110	ABM	N-T
		9-7120	BCA	N-T
		9-7130	CMS	N-T
			etc	
	9-7200	Local Bodies		
		9-7210	THC	N-T
		9-7220		N-T
		9-7230		N-T
	9-7300	Special Appeals		
		9-7310	eg. Tsunami	N-T
	9-7400	Unspecified		
		9-7410	Mission 1	N-T
		9-7420	Mission 2 etc	N-T

