



# Finance Operating Policy: Cash Handling

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## Cash Handling

- 1.1 Cash handling is recognised by the trustees as the single area within money management, of highest risk and greatest temptation. Whilst the trustees seek to encourage non-cash receipts and payments, it is accepted that cash transactions cannot be completely avoided.
- 1.2 The cash handling policy is designed to protect the reputation of all those handling money and to safeguard the church assets.
- 1.3 The largest exposure to cash is the Sunday service cash offerings. Cash offerings should be collected and counted by two **unconnected people** (that is people that are not related to each other).
- 1.4 The results of the offering cash count should be recorded on the church cash book in sufficient detail to provide a proper and adequate audit trail and to allow for the use of the Gift Aid Small Donation Scheme where applicable.
- 1.5 The cash book should be signed by those undertaking the counting so as to provide an environment of accountability and a proper audit trail.
- 1.6 No cash from the offering will be used to reimburse expenses or other expenditure.
- 1.7 All cash from the Offering should be banked.
- 1.8 Cash will only be retained on any church premises (as specified below) in properly designed and secure locking safes/or filing cabinets and will not exceed the cash limit included in the church's insurance policy.
- 1.9 Sensible precautions will be undertaken when transferring cash from the church to a bank.
- 1.10 Cash should be banked within 4 weeks from the date that the offering was received.

**1.11** All cash deposits should be reconciled with the bank statement.

## **2. Petty Cash floats**

**2.1** Petty cash floats will never exceed £100 and will always be secured in a locked draw or cash tin.

**2.2** Access to petty cash is limited to leaders approved by the trustees.

**2.3** No item of expenditure above £25 will be reimbursed from petty cash.

**2.4** All expenditure reimbursed from petty cash will be subject to the same documentation requirements as for other expenditure.

**2.5** Requests for petty cash “top-ups” should be made to the treasurer and should be accompanied by a complete reconciliation of the petty cash balance and be supported by the necessary documentation and evidence of a cash count.

## **3. Supporting Information**

**3.1** The following are to be regarded as church premises:

- i. The church’s office at Octavia View
- ii. The church’s storage cupboard in the Queen Mary Centre
- iii. The church’s registered address
- iv. The treasurer’s residence