FINANCIAL POLICY

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1 PURPOSE OF POLICY

Diligent and transparent management of finances and assets is critical to the effective ministry and witness of the church in serving as the body of Christ. The collection and use of these resources is important in honouring the God whom entrusted them to His people, in providing a good witness to a watching world, and in respecting the government God has placed over us. Therefore, Eastside is committed to the collection and management of finances and assets in a way that is diligent, faithful, transparent, compliant and for the glory of God.

Each of you should use whatever gift you have received to serve others, as faithful stewards of God's grace in its various forms.
(1 Peter 4:10)

…Well done, good and faithful servant! You have been faithful with a few things; I will put you in charge of many things. Come and share your master's happiness.
(Matthew 25:23)

…we administer [the offering] in order to honour the Lord himself and to show our eagerness to help. We want to avoid any criticism of the way we administer this liberal gift. For we are taking pains to do what is right, not only in the eyes of the Lord but also in the eyes of man.
(2 Corinthians 8:19-21)

1.1 This policy sets out Eastside's commitment to the collection, management and use of finances and assets.

2 APPLICATION

2.1 This policy applies to Eastside's collection and management of finances, the development and implementation of budgets, the purchase and management of assets, and the reporting of financial records and other information to the congregation and government.

2.2 This policy sets out obligations for Eastside personnel with access to or control of finances or assets of Eastside or with responsibility to provide financial reporting.

2.3 This policy has been developed in reflection of Eastside Community Church's requirements for financial management and accounting practice set by the Australian Accounting Standards Board (AASB) and Australian Charities and Not-for-profits Commission (ACNC), and consistent with its status as holding a goods and services tax (GST) concession and income tax exemption. To the extent of any inconsistency between this policy and/or Eastside's practice and the legal requirements of these external standards, the latter will prevail.

3 GUIDING PRINCIPLES AND ACTIONS

3.1 At all times, the management of Eastside's finances and assets will be managed based on the following principles:

3.1.1 stewardship

3.1.2 prudency

3.1.3 integrity

3.1.4 clarity and transparency

3.1.5 compliance.

3.2 Funding of church ministries, wages and projects will be derived primarily from the voluntary giving of the members and attendees of Eastside but may be supplemented by special gifts or grants. The receiving of giving will be managed in accordance with the following requirements:

3.2.1 Eastside will not accept any giving from suspicious sources or organisations, from individuals engaged in terrorism, money laundering or other criminal activities, or where accepting the money would bring the name of God into disrepute.

3.2.2 All giving to Eastside will be considered unrestricted except where made into a special designated fund established by Eastside, provided as a special offering invited by Eastside, or provided as a grant or similar gift required to be provided to a particular project or ministry.

3.2.3 Where it is not possible or appropriate to use designated giving for the purpose for which was designated by the donor, giving should be rejected except where there is approval from the majority of voting members at a members' meeting.

3.2.4 All cash offerings and payments will be managed in a way that minimises the risk of misappropriation or loss of funds. At a minimum, this will include the use of at least two people in the handling of funds and authorisation of expenditure.

3.3 The finances and assets of Eastside will be used for church ministries, wages and projects, including the day-to-day operation. The expenditure of finances will be managed in accordance with the following requirements:

3.3.1 At all times, Eastside will use finances only for the operation of the church, the witness of the gospel and the glory of God.

3.3.2 Where finances have been collected based on designated giving grants or other special arrangements, they should be used for the purpose for which the giving was based, except to the extent of any inconsistency with the requirements in Clause 3.3.1.

3.3.3 Finances (including entering into loans) will be used in accordance with operational and capital budgets approved by the membership. Expenditure must be regularly monitored against approved budgets and actively managed to avoid overruns where possible. Any unbudgeted expenditure must be explicitly approved in accordance with the Constitution and delegations in Schedule 1.

3.3.4 Assets will be purchased only as required for the effective ministry of Eastside and in accordance with an approved budget. Any assets with a value greater than that identified in Schedule 1 should be added to and maintained on an Asset Register.

3.3.5 The use of finances, including credit cards, is subject to delegated authority, as set out in the schedules to this policy.

3.3.6 All expenditure is to be reasonably and transparently incurred, regardless of whether or not it has been budgeted. Where there is an actual or perceived conflict of interest associated with expenditure, the expenditure can still proceed but must then be disclosed to the membership as soon as possible.

3.3.7 Eastside will not be responsible for the expenditure or financial commitment made by others where this has not been subject to formal approval or delegation.

3.4 Eastside will maintain insurances appropriate to the financial and other risks associated with operations and assets. This must be reviewed at least every three years or where there Is a material change of assets.

3.5 Financial performance must be reported regularly and transparently to the membership. At a minimum, this must be as frequent as the reporting periods identified in Schedule 4.

3.6 Financial auditing and government reporting must be undertaken in compliance with prevailing government requirements.

3.7 Financial records must be retained for a minimum of 7 years or longer as required by accounting practice or government regulation.

3.8 Where deemed necessary by the Eldership, Eastside will develop any other procedures or documents necessary to give further effect or clarity to this policy.

3.9 The guidelines provided in the schedules form part of this policy. However, changes to these schedules are not considered changes to the overall policy and therefore can occur without initiating a re-issue of the policy. These schedules must be reviewed annually to ensure they remain up-to-date and appropriate.

4 RELATIONSHIP TO CONSTITUTION AND OTHER POLICIES

4.1 To the extent of any inconsistency between this policy and the Constitution, the latter prevails, except as required by law.

4.2 Further controls related to the funding of overseas activities is provided In the Missions Policy.

4.3 Further controls related to expenditure associated with minor and major projects is provided in the Project Management and Governance Policy.

4.4 Further controls related to remuneration and salary of staff is provided in the Remuneration Policy.

4.5 Any breaches of this policy are to be handled in accordance with the issue / incident requirements of the Risk and Compliance Policy.

SCHEDULES AVAILABLE FOR CHURCH MEMBERS TO VIEW – EMAIL OFFICE TO REQUEST COPY.