

KING'S LYNN CHRISTIAN FELLOWSHIP

ALSO KNOWN AS THE KING'S CENTRE

FINANCE AND INVESTMENT POLICY

1) Introduction

- a. This policy seeks to provide details of the way in which KLCF finances will operate
- b. There are other policies that impinge on finances and each policy must be interpreted in the light of all the others
- c. This policy will be reviewed at least annually

2) Financial profile

a. Assets

KLCF owns a property known as The King's Centre at Wellesley Street, King's Lynn. The asset register details all the contents.

b. Sources of income

- i. Offerings – tend to be relatively stable on a month by month basis although a peak tends to occur during the first week of each month, and we occasionally may receive larger one-off gifts.
- ii. Gift Aid on the appropriate offerings – tends to be claimed once every year usually during May / June
- iii. Hire of the Hall to approved organisations such as the Blood Donors
- iv. Investment income
- v. Income from refreshments
- vi. Events connected with the aims of KLCF
- vii. Restricted income for specific supported missions

c. Normal cash flow requirements

- i. Salaries for employees
- ii. Employee tax, NI and pension contributions
- iii. Ministerial gifts
- iv. Missions gifts & supported outreach – paid both monthly and quarterly to regular supported missions, and also as and when needs arise.
- v. Supportive gifting
- vi. Administration & stationery
- vii. Utilities & insurance
- viii. Refreshments
- ix. Equipment and maintenance
- x. Licences and subscriptions
- xi. Transaction fees

d. Future major expenditure

Whilst there are no immediate plans for major additional expenditure, examples that may arise in the future are:

- i. New or larger premises
- ii. Missions funding either in the UK or abroad
- iii. Additional staffing
- iv. Church expansion

3) Investment powers

In order to meet cash flow needs, the movement of funds between current and instant access accounts are at the discretion of the treasurer. Any fixed term or notice accounts must be put before the Trustees and agreed by a majority.

4) Investment policy

a. General Principles

- i. Funds may be accrued to meet the cost of significant future requirements as listed in paragraph 2d.
- ii. All of the funds invested outside of the current accounts have non-restrictive status and can therefore be used at the discretion of the trustees and Church Elders for the furtherance of the KLCF objectives, but always in accordance with the governing documents.

b. Reserves

- i. Reserves are required both to smooth out fluctuations in income and expenditure, and to maintain an ability to respond to urgent needs.
- ii. Trustees will seek to maintain the reserves held in deposit accounts at a range of between 10% and 200% of annual income. The lower figure is, they consider, the least possible consistent with a continued ability to meet regular commitments. The higher figure allows for significant capital expenditure (for example, on its property) and increased spending on staffing, ministry and mission.
- iii. In addition, the higher figure of 200% has been established to allow trustees to consider the purchase of additional or alternative property.

c. Immediate income requirements

Sufficient funds to meet known forthcoming expenditure, along with a suitable contingency amount, should be accessible, even if there is a loss of interest due to an early redemption penalty.

d. Acceptable risk

- i. The Trustees will ensure that KLCF funds are invested in low risk secure investments. These may be for medium to longer terms but the capital should always be secure.
- ii. Investments in stocks & shares are not permitted.
- iii. Investments in property, companies or share schemes are not permitted.
- iv. All investments will be in the name of King's Lynn Christian Fellowship.

e. Cash flow

Cash flow will be monitored by the treasurer and funds moved to and from the current and investment accounts as needed to meet any specific short-term needs.

f. Ethical restrictions and exclusions

KLCF will not knowingly invest with any institution exploiting any peoples or nations, or that actively promote alternative religions to Christianity.

5) Investment performance benchmarking

- a. Any investment portfolio and level of return will be reviewed by the Trustees.
- b. The level of return will need to be judged against the need for a secure investment and limitations on the term which will be subject to the discretion of the Trustees.

6) Reporting requirements

Monthly and yearly accounts will be provided by the KLCF Treasurer to the Trustees.

7) Approving expenditure

- a) Routine expenditure on items already approved at a meeting of trustees needs no further approval
- b) Where new items of expenditure have not already been approved at a meeting of trustees, or where costs would be significantly higher than expected, approval from trustees should be sought

- c) Any matters requiring urgent expenditure up to a maximum of £250 may be approved by any two Elders or Trustees

8) Authorised persons

| Name | Role(s) | Signatories / authorised users for accounts | | | |
|---------------|---------------------------|---|---------------------------|---------------------------------|---|
| | | Lloyds current account | Santander current account | Scottish Widows deposit account | Hampshire Trust Bank investment account |
| Darryl Mallet | Trustee & Elder Pastor | ✓ | | ✓ | ✓ |
| Simon Messam | Trustee Treasurer | ✓ | ✓ | ✓ | ✓ |
| Martin Hill | Elder Centre Manager | ✓ | ✓ | | |
| Clare Mallet | Pastoral Support | | ✓ | | |
| Tim Porter | Trustee & Elder | | | ✓ | ✓ |
| Andy Osborne | Trustee & Elder | ✓ | | ✓ | ✓ |
| Paddy Jones | Elder | | | | |
| Bridget Jones | Office Manager | | | | |

9) Approving payments

- a. Receipts should be obtained wherever possible.
- b. All expenditure requests should be signed by two or more of the authorised persons, except for payments made by debit card or online banking (see below).

10) Debit cards and online banking

Debit cards and online banking may be operated by one of the authorised users for:

- i. Routine purchases of refreshments and cleaning materials
- ii. Maintenance materials and services costing less than £500

11) Cheques

All cheques should be signed by two signatories.