

SOCIETY NAME		SOCIETY No.		
CIRCUIT NAME		CIRCUIT No.		
FINANCIAL CHECKLIST FOR CIRCUITS, SOCIETIES AND ORGANISATIONS as at 31 December				
The checklist below is to assist the person preparing the 4C or 4S and the financial statements of the Organisations to ensure that all matters have been dealt with in terms of good governance principles and is in line with The Methodist Book of Order - L&D Twelfth Edition : 2014 and Policy on Effective Financial Management (PEFM)				
#	Description	Yes	No	Comments
1	Was the L&D adhered to in all aspects?			
	* Financial Accountability (overall)			
	* Finances			
	* Properties			
	* Policy and Process			
2	Does the Circuit / Society / Section have a bank account? (L&D 7.24)			
3	How many bank accounts does the Circuit / Society / Section have?			
3a	Are all signatories still valid or are they due to be changed? If Yes, has the date been set for the changeover?			
4	Does the Circuit / Society / Section have a bank account which is not registered in the name of the Methodist Church of Southern Africa? (L&D 7.24)			
5	If yes, then why?			
6	Was all income declared and recorded in terms of the PEFM?			
7	Was all income banked in terms of the PEFM?			
8	Was income received reconciled to income banked in terms of the PEFM?			
9	Have all collections for special events and other occasional collections been properly recorded and accounted for?			
10	Does the Circuit or Society still use cheques?			
11	Does the Circuit or Society use Internet Banking?			
11a	Has this been approved at the Quarterly Meeting?			
12	Does the Circuit or Society make use of Debit Cards?			
12a	Has this been approved at the Quarterly Meeting?			
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13	Were all payments authorised by means of a payment requisition voucher in terms of the PEFM?			
14	Were all payments authorised by the relevant persons and at least 2 of them in terms of the PEFM?			
15	Were any cash cheques issued? (This is in contravention of the PEFM).			
16	Were any blank cheques signed? (This is in contravention of the PEFM).			
17	Were all payments substantiated by the relevant supporting documentation, i.e. invoices etc. in terms of the PEFM?			
18	Were all payments allocated to the relevant budget items?			
19	Were 3 quotes obtained for large items (above R5000) of expenditure in terms of the PEFM?			
20	Were all assessment payments to Circuits and MCO made timeously?			
21	If electronic payments were made, was there a dual authorisation process in place in terms of the PEFM?			
22	Were bank reconciliations performed on a monthly basis?			
23	If a contract (for anything) had been entered into during the year, has it been signed off by the Superintendent of the Circuit?			
24	Were any loans given to staff or ministers? This is in contravention of (L&D 7.31 and L&D 9.91.1).			
25	If loans were given were they paid off by year-end?			
26	Were these loans declared to the MCO for tax purposes?			
27	Were all allowances, bonuses, gifts and donations paid by the Circuit or Society DIRECTLY to ministers, probationers, supernumeries, evangelists etc. declared to the MCO for tax purposes?			
28	Were all gratuities, bonuses, gifts and donations received directly from OTHER Districts, Circuits or Societies (when preaching or visiting these areas) and paid to ministers, probationers, supernumeries, evangelists etc. declared to the MCO for tax purposes?			
29	Does the Circuit / Society or Organisations make use of overdraft facilities? (This is in contravention of financial policies unless the provisions of Bank Overdraft, Page 138, Yearbook and L&D 7.25 has been complied with).			
30	Did decision-making structures adhere to their levels of authority in terms of expenditure approved?			
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31	Is there a financially qualified person represented at Circuit or Society level?			
32	Does the Circuit / Society Treasurer have a financial background?			
33	Was a budget prepared for the year under review in terms of the PEFM?			
34	Did the budget reflect a breakeven situation or surplus balance? No deficits are allowed in terms of the PEFM.			
35	Did a budget comparison to actual income and expenses take place during the year under review in terms of the PEFM?			
36	Were major discrepancies (#35 above) explained at a District / Circuit Quarterly Meeting?			
37	Was the budget approved by the Circuit / Society Executive Committee?			
38	Were any unbudgeted items purchased in terms of the PEFM?			
39	Was extra staff employed that was not budgeted for in terms of the PEFM?			
40	Were management accounts prepared on a monthly/ quarterly basis and were they presented at the Circuit Quarterly Meeting?			
41	Were all capital expenditure (i.e. Land & Buildings, equipment etc.) items expensed in the year that they were purchased? See Policy on Effective Financial Management (Budgeting, point 3, Page 136) of the Year Book.			
42	Was any sale of Methodist Properties treated in terms of (L&D 10.40/41)			
43	Were any proceeds from the sale of properties used for normal day to day running expenses? See Policy on Effective Financial Management (Capital Income, point 1, Page 138) of the Year Book.			
44	Was a 4C or 4S prepared for the financial year?			
45	Was a Trial Balance completed for the year under review?			
46	Do the figures in the Trial Balance agree with the 4C or 4S schedule?			
47	Was the 4C or 4S prepared by an appropriately qualified person?			
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48	Were the financial statements prepared and audited by an appropriately qualified auditor? See Policy on Effective Financial Management (Page 133) of the Year Book.			
49	If a Section 21 company is part of the District / Circuit / Society / Organisation, has it operated in terms of good governance principles and has the MCSA interest been protected at all times?			
50	Has any church asset been transferred to a Section 21 Company (L&D 10.56.4)?			
51	Has there been any Executive (Superintendent / Minister / Treasurer) interference at any level within the District / Circuit / Society / Organisations which prevented good governance being adhered to?			
52	Was the Treasurer present at all meetings where financial matters were discussed and agreed upon?			
53	Where financial items require follow up as recorded in the minutes of any meeting, has the follow up taken place and has the item been addressed?			
54	Were there any financial irregularities during the year and was it reported to the District and Circuit Treasurer?			
55	If (#54) was not satisfactory complied with by the District or Circuit Treasurer, was the matter reported to the relevant Bishop's Office and Methodist Connexional Office?			
56	Were all financial disciplinary matters dealt with appropriately and in line with the L&D?			
57	Were all financial entries and bank accounts declared in the completion of the 4C and 4S Schedule?			

We, the undersigned, accept responsibility for the answers stated here-in:

	Superintendent	Signature	
Name		Date	



	Circuit / Society Treasurer	Signature	
Name		Date	

The completed Governance checklist, once completed and signed off, must be forwarded to your District Treasurer and the MCO Compliance Unit.

With special thanks to Mrs. Carin Cronje and Rev. Terry Howell for their valuable input.