

**St Michael and all Angels', Sandhurst, Parochial Church Council (PCC)
Conflict of Interest and Related Parties Policy**

Introduction

The PCC is aware of its duty to recognise related parties and conflicts of interest within the PCC. This policy formalises the process within the PCC to ensure every Trustee of the PCC is aware of their own obligations to disclose.

It should be noted that these matters concern only business concerning financial transactions, and do not apply to matters such as ensuring smooth operations etc.

Background

The accounting framework for charities (SORP) requires:

“A decision by a charity to enter into any transaction must be made in the charity’s own interests and for the benefit of its beneficiaries.

Users of the accounts need to be able to assess whether the relationship between the charity and the other party or parties to a transaction may have been influenced by interests other than those of the charity. Disclosing related party transactions also shows how far, if at all, the reported financial position and activities may have been affected by such transactions.

Related parties include a charity’s trustees and their close family members and those entities which they control or in which they have a significant interest.

If a person has significant influence over a charity’s decision-making or if a charity acts on their instructions, then that person must be treated as related to the charity.”

Process

1. At the first PCC meeting after the APCM, where the new PCC members are inducted, each PCC member will be made aware of their personal responsibility to disclose, and will be asked to declare any potential conflicts or related parties which will be recorded by the Secretary and minuted.
2. A standing item of business at the start of each meeting will be introduced to ask PCC members to declare any conflicts or related parties for that meeting’s agenda. The obvious significant items, such as those above, will be a standing minute for each meeting so as to focus the minds of those present on “what else” might represent a conflict or related party.
3. The Independent Examiner receives all minutes of the PCC and will review these to ensure all material matters are declared in the accounts.

Approval and Review

This policy will be reviewed every two years by the PCC to ensure it meets current legislation and guidance and is appropriate to the needs of the parish.

This policy was approved and adopted by the PCC at its meeting on Wednesday 12th June 2019.

Signed: _____

Rector

Signed: _____

Churchwarden

Signed: _____

Churchwarden