

# ***Methods of Financial Supervision and Management of Religious Activities Venues (Trial Implementation)***

---

***Government of the People's Republic of China  
Translated by Eleanor Foo***

*This is an English translation of the Chinese original of the regulation, downloaded from the Government of the People's Republic of China website, <http://www.China.com.cn>, March 4, 2010.*

## **Chapter 1 — General Principles**

Article 1: To regulate the financial operation of religious activities venues, to strengthen the financial administration and supervision of religious activities venues, and to safeguard the lawful rights of religious activities venues and religious believers, these Methods are formulated according to the *Accounting Law of the People's Republic of China*, *Regulations on Religious Affairs*, *Civil Non-Profit Making Organizations Accounting System* and related laws.

Article 2: The religious activities venues referred to in these Methods include the temples, mosques, churches and other fixed religious activities venues legally registered under the *Regulations on Religious Affairs*.

Article 3: Religious activities venues should guarantee the security and effectiveness of their assets, to be used in activities that are in line with their purposes and social charity work.

Article 4: The management committee of a religious activities venue should establish its financial administrative system according

to the *Regulations on Religious Affairs*, the Methods, and pertinent laws, statutes, regulations and provisions on financial accounting systems, and register under the registration and administration bureaus.

Article 5: Each religious activities venue should set up a financial administration committee to manage its finances under the leadership of the management committee. Generally the financial administration committee should include the director of the management board, and the accountant and the cashier of the religious activities venue.

Article 6: The lawful assets and profits of the religious activities venue are protected by the law. No organization or individual is allowed to illegally occupy, seize, privatize, destroy, close down, detain, freeze, confiscate or dispose of the lawful assets of the religious activities venue.

Article 7: The registration management bureau directs and supervises the financial administration of religious activities venues in accordance with the law.

## **Chapter 2 — Accounting Systems**

Article 8: The religious activities venues should comply with regulations of the *Accounting Laws of the People's Republic of China* and the *Civil Non-Profit Making Organizations Accounting System* to keep account books and guarantee the authenticity and completeness of such accounts. The principal person-in-charge of the management committee of the religious activities venue is responsible for the accounting work and the authenticity and completeness of the accounts. No organization or individual should by any means incite, instigate or force the accounting personnel of the religious activities venue to forge, change or destroy accounting evidence, account books and other accounting information, or provide false financial accounting reports.

Article 9: Religious activities venues should set up their accounting evidence, account books, accounting databases and filing of relevant information, and keep the records safe. The requirements on filing, validity period, and methods of destruction of accounting information should be in accordance with the requirements laid down in the *Method of Administering Accounting Records*.

Article 10: Religious activities venues should employ their own accounting personnel to be responsible for accounting affairs, or according to the regulations in the *Accounting Laws of the People's Republic of China* and *Methods on Outsourced Accounting Management*, entrust an agency certified to engage in conducting outsourced accounting business to be responsible for their accounting affairs. If the religious activities venue does not meet the aforementioned requirements, the accounting affairs could be entrusted to the accounting personnel of the responsible religious community; or under the supervision of the registration management bureau jointly employ an accounting staff person to take charge of its accounting affairs. The accounting staff person should have a certificate of qualification in accounting work.

Article 11: The posts of accountant, cashier and members of the financial administration committee should be occupied by different people, and they should not hold two posts at the same time. Those who have special relations with the accountant, cashier or members of the financial administration committee, such as husband and wife, direct relations, such as parents, blood relatives within three successive generations, marital relations and other special family relations, should avoid occupying the above-mentioned posts.

### **Chapter 3 — Management of Budgets**

Article 12: Each religious activities venue should formulate its annual budget, which is then filed with the registration and regulatory bureaus, and notify the religious believers through appropriate means.

Article 13: The annual budget of religious activities venues should consist of the expected incomes and expenses of the year. Generally the religious activities venues should aim at a balance between incomes and expenses in their budgets, and spend within its revenue.

#### **Chapter 4 — Administration of Incomes**

Article 14: The main sources of income of religious activities venues include: (1) donations from organizations or individuals within or outside the state that are accepted under the requirements of the country; (2) incomes from the provision of religious services and from the sale of entrance tickets at religious activities venues; (3) incomes from the sale of religious objects, religious art products and religious publications; (4) incomes from social charity works and social services; (5) government subsidies; and (6) other lawful incomes.

Article 15: All incomes of the religious activities venue should be entered into the account book promptly in accordance with the requirements of the *Accounting Law of the People's Republic of China* and *Civil Non-Profit Making Organizations Accounting System*.

Article 16: When accepting donations from organizations or individuals within or outside the state, all religious activities venues should follow pertinent regulations of the state, and issue to the donors receipts of the finance department or standardized receipts with serial numbers of the religious venue, endorsed with the official seal of the religious activities venue. The donation amount should be entered into the account book promptly upon acceptance. If the donation is in material form, its price should be estimated under the regulations of the *Civil Non-Profit Making Organizations Accounting System* and be recorded into the account book. Any religious activities venues installed with donation boxes should assign three persons to manage the donation boxes. The three persons-in-charge should all be present when the donation boxes are opened. They should take inventories of the amount of



donations on the spot, record the amount and have the record signed by the three persons; the donations should then be passed to the financial administration personnel of the religious activities venue to record into the account book.

Article 17: Religious ministers and other people should not privatize any assets belonging to the religious activities venue. Any donations to the religious activities venues received by the religious personnel should be recorded into the account book promptly according to requirements specified in Article 16.

Article 18: The special funds from government subsidies for the religious activities venue should be used for the specified purposes only. Utilization for other purposes is strictly prohibited.

Article 19: Each religious activities venue should open account(s) in the bank under its name. Funds of the religious activities venue should not be deposited into personal bank accounts.

## **Chapter 5 — Management of Expenses**

Article 20: The incomes of religious activities venues should be used in activities that correspond to the purposes of the religious activities venues and in social charity work. The expenses of religious activities venues mainly include: (1) expenses for religious affairs; (2) expenses for infrastructure; (3) expenses for the daily needs of religious ministers and the salaries of other staff; (4) normal daily expenses; (5) expenses on social charity works and other social services; (6) other expenses.

Article 21: Expenses of the religious activities venue should be endorsed with the signature of the person-in-charge of the finance committee and be reported to the person-in-charge of the management body of the venue for approval; large expenses should be collectively assessed and approved by the management body of the religious venue. Consult the opinion of the religious believers if it is necessary to do so.

Article 22: All loans provided by the religious activities venue should be collectively assessed and approved by the management body. The debtor should issue the creditor a legal loan certificate. For large loans, the debtor should provide the creditor with a guarantor or mortgage.

Article 23: When applying for a loan, the religious activities venue should take into consideration its ability to repay the loan, and should have the collective assessment and approval of the management body, to guarantee punctual repayment of the loan.

## **Chapter 6 — Asset Management**

Article 24: Each religious venue should establish a strict internal control system so as to safeguard the preservation or value-added amount of its assets.

Article 25: Assets of religious activities venues include liquid assets, fixed assets, intangible assets and long-term investments.

Article 26: The liquid assets of a religious activities venue refer to those that can be liquidated or spent within one year (including one year); these include cash, bank savings, receivables, pre-paid amounts, short-term investments, stocks or unamortized expenditures. Religious activities venues should strengthen the management of liquid assets, and establish a sound management system and an internal control system of managing cash, bank savings, receivables, stocks and other liquid assets.

Article 27: The fixed assets of religious activities venues include the common equipment of unit price RMB 500 yuan or above, and specialized equipment of unit price RMB 800 yuan or above, which are to be used for more than one year and which basically maintain their original material shape during use, such as buildings, specialized equipment, general equipment, transport vehicles, cultural relics and exhibits, books and other fixed assets. The religious activities venues should set up registration records, accounts, labels, and take careful inventory of its fixed assets,

periodically or non-periodically check the inventory, and make an overall inventory of its fixed assets before the end of each year. All gains or losses of fixed assets should be verified with an explanation and with a written report; the management body will collectively assess and handle the case before the end of the taking of inventory. The hiring, transfer and discard of fixed assets of the religious activities venue should be collectively assessed and approved by the management body.

Article 28: The intangible assets of religious activities venues include all assets that do not have a material form but can provide the religious venue with certain rights, including patents, non-patented technology, trademarks, copyright and right of use of land. The transfer of intangible assets by the religious activities venue should be collectively assessed and approved by the management body. The income obtained through the transfer should be counted as income of the religious venue.

Article 29: All religious activities venues should check their inventory regularly or at least once at the end of each year, and make sure that the inventory and the accounts are the same.

Article 30: The religious activities venue should register its land use right and ownership right of the buildings on the land it is using and for the buildings it possesses respectively. Buildings and structures used for religious activities and the dormitory of religious ministers should not be transferred, mortgaged or used for material investment.

Article 31: The cultural relics owned and used by religious activities venues should be protected in accordance with the pertinent regulations, and should not be damaged.

## **Chapter 7 — Property Management**

Article 32: The religious activities venue should submit its financial reports to the registration and regulatory bureaus periodically or within three months after the end of each year, including the

balance sheet, list of business and activities, cash flow accounts, acceptance and utilization of donations, and other records under the requirement of the *Civil Non-Profit Making Organizations Accounting System*. The registration and regulatory bureau of the religious activities venues should examine the financial reports submitted by the religious activities venues, and when a problem is found, instruct the venue to make amendment.

Article 33: The religious activities venue should regularly, by suitable means, make public its income and expenses, and acceptance and utilization of donations, and accept the supervision of the religious believers. The religious venue should accept any reasonable opinion and suggestion of the religious believers.

Article 34: The accounting personnel of the religious activities venue have the right to exercise their supervision over the finances of the religious venue according to the *Accounting Laws of the People's Republic of China* and other pertinent regulations. They have the right to raise opinions and report to the registration and regulatory bureau and other relevant bureaus concerning any illegal acts regarding financial matters.

Article 35: When the principal person-in-charge of the management body or the person-in-charge of the finance committee of the religious activities venue resigns from his/her post, the registration and regulatory bureau should audit the financial accounts of the religious venue. The change in financial personnel of the religious activities venue should have the collective assessment and decision of the management body, which should oversee the handover procedures.

Article 36: When the religious activities venue closes down, it should take inventory. While taking the inventory, the religious venue should, under the supervision and instruction of the registration and regulatory bureau and other pertinent departments, clear all its assets, claims and debts; make a list of all its assets, claims and debts; provide evidence estimating the value of its assets,

and ways to handle the claims and debts; and settle all the remaining issues. The assets remaining after the clearance should be used in services that are relevant to the purpose of the religious venue.

Article 37: Any measures concerning financial matters of religious activities venues that are not specified in these Methods should be handled according to the *Civil Non-Profit Making Organizations Accounting System*.

## **Chapter 8 — Legal Responsibilities**

Article 38: When any religious activities venue violates the regulations specified in these Methods, the registration and regulatory bureau should, according to article 41 of the *Regulations on Religious Affairs*, order a correction of the mistake. For more serious cases, it should order the religious venue to replace the personnel directly in charge of the venue. For grave cases, the registration of the religious venue could be revoked.

Article 39: Any practice violating the *Accounting Laws of the People's Republic of China* or other legal regulations should face an administrative penalty according to the law; for behavior that constitutes a crime, a charge of criminal responsibility should be imposed.

## **Chapter 9 — Appendix**

Article 40: These Methods will be implemented on March 1, 2010.