

# The Space @ Field Lane



## Financial Policy and Procedures

1. The Board of Trustees are responsible for:
  - Safeguarding the assets of the charity
  - Preventing fraud
  - Avoiding mistakes
  - Keeping financial records in accordance with the governing document and relevant legislation (e.g. Charities Acts etc.)
  - Preparing Annual Accounts in accordance with the governing document and relevant legislation
2. To enable the Board of Trustees to carry out these responsibilities, the Financial Procedures detailed below must be followed at all times by all Board members, staff and volunteers.
3. A copy of this policy and procedures will be given to all Trustees on their election/appointment and to all relevant staff and volunteers.
4. The policy and procedures will be reviewed annually by the Board of Directors/committee and revised as necessary.

## Financial Procedures

### 1. Organisational Information

- a) Our Financial Year runs from.....31 March – 1 April
- b) Name of Bankers.....HSBC LTD 2 Cloth Hall Street Huddersfield HD1 2ES
- c) Name of Auditor/Independent Examiner.....

### 2. Bank Accounts

- a) All bank accounts must be in the name of the organisation.
- b) No account may ever be opened in the name of an individual or individuals.
- c) New accounts may only be opened by a decision of the Board of Trustees, which must be minuted.
- d) Changes to the bank mandate may only be made by a decision of the Board of Trustees, which must be minuted.
- e) Two people should be involved in counting cash receipts.
- f) All cheques must be signed by two signatories.

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- g) The signatories are responsible for examining the cheque for accuracy and completeness.
- h) All Internet Bank Transfers must be authorised by two signatories.
- i) The Treasurer is responsible for ensuring accuracy and completeness prior to transmission.
- j) The signatories are responsible for examining the payment documentation (purchase invoice etc) prior to signing the cheque or authorising an Internet Transfer.
- k) Blank cheques must **never** be signed.

### **3. Signatories to the accounts:**

- 1) Name: .....Catherine Richardson Treasurer
- 2) Name: .....Derek Dodkins Chairperson
- 3) Name: .....Mary Green Funding Coordinator

### **4. Annual Budget**

- a) An annual budget, setting out the organisation's financial plan for the year, will be prepared so that it can be approved by the Board of Trustees before the start of each financial year.
- b) The draft budget will be prepared by the three Trustees, including :
  - Chairperson
  - Treasurer
  - Another member as nominated

### **5. Financial Reports**

- a) A financial report will be prepared for every Trustees meeting.
- b) The financial report will consist of:
  - Profit & Loss
  - Balance Sheet
- c) Each Financial Report will be circulated to all Trustees members and discussed at the following committee meeting.
- d) The reports will be prepared by the treasurer

### **6. Accounting and other financial records**

The organisation maintains a computerised accounting system which records:

- Cheques and cash received and banked
- Cheque payments, Internet Banking Transfers and other amounts paid from the bank accounts

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- a) Every transaction will be entered with the appropriate details and will include:
  - The date of the transaction
  - The name of the person money was received from or paid to and the full amount
  - A brief description of why the money was received or paid
  - An analysis of each amount under its relevant budget heading, where applicable
- b) All documents relating to receipts and payments will be filed in the month they are input into the system
- c) A regular backup copy will be taken and saved with a copy to be transferred electronically to the Chairperson.

## **7. Authorisation and Payment**

- a) No Trustee may undertake any spending for or on behalf of the organisation without it being decided at a meeting.
- b) The chairperson (or treasurer in their absence) may authorise specific requests outside of meetings only if required, and only if it is for £200 or less.
- c) Any Sub groups will be given terms of reference which will include who and how much spend can be authorised within the limit.
- d) No Trustee may authorise payment to themselves, their partner or relatives.
- e) Invoices (or other receipts) should be matched and checked against the Purchase Order before payment is authorised. All goods received must be signed for, if unchecked they must be checked for completeness before payment.
- f) Before cheque or Internet payment is made, it must be authorised in writing.
- g) When the cheque is signed, the two signatories should also sign the Cheque Requisition Form.
- h) For Internet Bank Transfer the two signatories must sign the Authorisation form.
- i) Once payment has been made the invoice (or other receipt) should be marked "Paid", together with the cheque number and date.
- j) All payments must be entered in the computerised accounting system only after being authorised.

## **8. Insurance**

- a) Appropriate Insurance policies will be maintained to cover:
  - Public Liability
  - Employer's Liability
  - Contents
- b) An inventory of all physical assets of the organisation will be kept and regularly updated.
- c) A copy will be kept off the premises at the address of the Treasurer.

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**10. This Financial Policy**, and the Financial Procedures detailed above were agreed and minuted at a meeting of the Board of Trustees on Tuesday 13 September 2016.

Name:.....

Signed:.....

Date:.....