

Financial Policy and Procedures

Purpose

This policy defines how Needingworth Village Hall Trust will manage the assets of the charity in accordance with the Needingworth Village Hall Trust Deed dated 31 March 1995.

Signed: (On behalf of the Trust) Debbie Williams and Ian Madden

Position: Chair, Treasurer

Date adopted and signed: confirmed in monthly committee meeting on the 20th November 2024.

This document will be reviewed bi-annually or when changes occur which may impact the policy e.g change in definition as in statute.

The next review is due on the 21st November 2027

Policy statement

1. The Trustees will manage the assets of the charity in accordance with the Needingworth Village Hall Trust Deed dated 31 March 1995.
2. Financial records will be kept to ensure that Needingworth Village Hall meets its legal and other obligations under Charity Law, HMRC and common law.
3. The financial year will end on 31 December and accounts for each financial year will be drawn up and approved by the Trustees prior to being presented at the Annual General Meeting held in May.
4. The accounts will be independently examined prior to the AGM by an auditor or examiner of accounts appointed by the Trustees.
5. The Trustees will approve an income and expenditure budget prior to the start of each financial year.
6. The Trustees shall approve a Reserves Policy and determine the extent and nature of reserves designated as Restricted Funds.
7. All funds will be held in accounts in the name of Needingworth Village Hall Trust at such banks and on such terms as the Trustees shall decide. All payments require the authorisation of two signatories; when payment is by cheque two signatories are required to physically sign each cheque; payment by online transfer or debit card requires the authorisation of two signatories, which can be obtained by email. One of the signatories can be the person making the payment.
8. Delegated authority to make purchase £100.
9. The Treasurer shall present a financial report at every meeting of the Trustees, the format and content of the report to be decided by the Trustees.
10. All expenditure shall be properly authorised and documented; all income shall be paid into the bank without unnecessary delay.

Financial records

The following records shall be kept up to date by the Treasurer:

- A cashbook analysing all the transactions in the Trust's bank accounts.
- A petty cash book if cash payments are made.

Payment procedure

1. The Treasurer will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept under lock and key.
2. Blank cheques will NEVER be signed.
3. The relevant payee's name will always be inserted on the cheque before signature and the cheque stub will always be properly completed.
4. No cheques should be signed without original documentation (see below).
5. Regular payments via Direct Debit can be authorised and minuted by Trustees at the first Management Committee Meeting held after 1 January.
6. The Treasurer will hold a debit card to be used where necessary.
7. Purchases using a personal credit or debit card, cheque or cash are to be avoided, except in exceptional circumstances. Authorisation must still be sought in these exceptional circumstances. Receipts must be obtained and presented for reimbursement.

Payment documentation

1. Every payment out of the bank accounts will be evidenced by an original invoice. The cheque signatories should ensure that it is referenced with:
 - a. Cheque number
 - b. Date cheque drawn
 - c. Amount of cheque
 - d. Who signed the cheque

The only exceptions to cheques not being supported by an original invoice would be for such items as advanced booking fees for a future course, deposit for a venue, etc. Here a cheque requisition form will be used and a photocopy of the cheque kept.

2. Wages: All employees will be paid within the PAYE, National Insurance regulations. All staff appointments/departures will be authorised by the Trustees, minuting the dates and salary level. Similarly, all changes in hours and variable payments, such as overtime, will be authorised by the Trustees.
3. Petty cash will always be maintained on the Imprest system whereby an Officer is entrusted with a float as agreed by the Trustees. When that is more or less expended, a cheque will be drawn for sufficient funds to bring up the float to the agreed sum, the cheque being supported by a complete set of expenditure vouchers, totalling the required amount, analysed as required. A debit card can also be used in this situation to withdraw cash providing authorisation is granted by two signatories.

4. Expenses / allowances: Needingworth Village Hall Trust will, if asked, reimburse expenditure paid for personally by Trustees or staff, providing:

- Fares are evidenced by tickets.
- Other expenditure is evidenced by original receipts.
- Car mileage is based on HMRC scales. No signatory is permitted to authorise a payment of expenses to themselves.