



Catfield United Charities

Charity Registration: 207214

Financial Controls Policy for Trustees

1. Introduction

1.1 Financial records will be kept so that CATFIELD UNITED CHARITIES (CUC) can:

- Meet its legal and other obligations, e.g., Charities Acts, Inland Revenue, Customs & Excise, Companies Act, Common Law.
- Enable the Trustees to have control of the organisation's finances.
- Enable the organisation to meet contractual obligations and the requirements of funding bodies.

1.2 The organisation will keep an accurate record of accounts, which will include:

- A running accounts sheet and reconciliation analysing all of the transactions for all the charities bank account(s). This can be done, manually by paper, or digitally on a spreadsheet or with the use of accounts software.
- A payee list, listing and approving all outgoing costs, expenses and reimbursements
- Expenses and reimbursements forms and associated receipts and approvals.

1.3 The financial year for CUC will end on 31 March following the financial year.

1.4 Accounts will be drawn up after each financial year within 3 months of the end of the year, presented to the next Annual General Meeting and submitted for audit.

1.5 Before the start of each financial year, the Trustees will approve a budgeted income and expenditure account for the following year.

1.6. A paper comparing actual income and expenditure with the budget will be presented at every Trustee meeting or every 3 months as a minimum.

1.7. The Treasurer will submit the accounts to an appropriately qualified auditor/independent auditor to audit/examine the accounts.

2. Bank

2.1 CUC will bank with a known and reputable bank where the accounts will be held in the name of Catfield United Charities. The following accounts will be maintained:

Current and Business, Reserve, and any other project accounts as agreed and approved by CUC Trustees.

2.2 The bank mandate (list of people who can sign cheques on the organisation's behalf) will always be approved and minuted by the Trustees as will all changes to it.

2.3 The Treasurer will reconcile all accounts every month. The Chair will spot check that this reconciliation has been done at least twice a year and sign the accounts.

2.4 CUC will not use any other bank or financial Institution or use overdraft facilities or invest speculatively unless authorised, approved and minuted by the Trustees.

3. Receipts (income)

The aim is to demonstrate that CUC has received all the income to which it is entitled and that it is all reasonably evidenced.

3.1 All monies received will be recorded promptly in the accounts record and banked without delay. The Trustees will maintain files of documentation i.e. letters from funding bodies to back this up.

4. Payments (expenditure)

The aim is to ensure that all expenditure is properly authorised and that this can be demonstrated. The latest approved budget provides the cheque signatories with authority to spend up to the budgeted expenditure, not beyond it save as provided for in clause 4.8 below.

4.1 Payments in cash should be kept to a minimum, otherwise all payments should be by cheque or online payment.

4.2 The treasurer will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept under lock and key.

4.3 Blank cheques will NEVER be signed.

4.4 Whenever possible, the same person should not be responsible for ordering, processing and checking invoices as well as signing cheques and payments.

4.5 The relevant payee's name will always be written on the cheque and/or payee list the before signature, the cheque stub will always be filled in and invoices initialled by the signatories.

4.6 No cheques will be signed without original documentation.

4.7 Money will only be spent to meet conditions and requirements of the funding bodies and in pursuance of the Governing document of CUC..

4.8 The signatories shall not approve an overspend on a particular budget heading of more than 10% unless this approval is written down, signed by both people approving it, and reported to the next Trustee meeting.

4.9 All cheques, payee lists and online payments to be signed or approved by 2 signatories.

5. Payment Documentation

5.1 Every payment out of the organisation's bank amounts will be supported by an original invoice (never against a supplier's statement or final demand). That original will be filed and kept for seven years. The person who signs the cheque should ensure that they initial the invoice.

5.2 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, VAT, etc. Advanced fees must be agreed by a majority of Trustees through email and a payee list to be signed prior to the payment being made.

5.3. Cash is to be avoided and should only be used for the Charities annual distribution or similar grant funding scheme unless in exceptional circumstances.

5.4. Expenses will be paid in accordance with CUC Expenses and Reimbursement Policy

6. Cheque Signatures, use of cards and electronic banking

6.1 Each cheque will be signed by at least two people (preferably unrelated).

6.2 No cheque must be signed by the person to whom it is payable or connected to personally or through a business relationship.

6.3 If CUC applies for a debit, credit or charge card then a policy on each card's use will be agreed by the Trustees including any restriction on user, amount per transaction, types of retailers, cancellation/destroying, etc. Evidence of each transaction must be obtained and recorded in the account records.

6.4 If electronic banking is used for payments, then a double authorisation system must be used in the form of a payee list and online banking approvals with other evidence of expenditure. Any computer must be secure, and passwords/PINs kept secret.

7. Other Undertakings

7.1 CUC does not accept liability for any financial commitment unless properly authorised. In exceptional circumstances, undertakings can be made with the Chair and Treasurer approval who will then provide full details to the next Trustee meeting. (This covers such items as new service contracts, office equipment, purchase and hire).

7.2 All fundraising and grant applications undertaken on behalf of CUC will be made in the name of CUC with prior approval of the Trustees or in urgent circumstances the approval of the Chair and Treasurer, who will provide full details to the next Trustees meeting.

8. Confidentiality

Trustees will at all times act in the best interest of CUC and will comply with the CUC Conflicts of Interest Policy.

9. Other rules

9.1 The Trustees will consider the level of reserves that is prudent for CUC to hold at its first meeting after the AGM each year. Consideration will be given to lease agreements and any other significant factors that should be taken into account should CUC close.

9.2 CUC will maintain adequate insurance to protect its assets including equipment, cash in hand and transit as appropriate. It will review insurance cover annually prior to renewal.

9.3. CUC will adhere to good practice in relation to its finances at all times, e.g. where relevant it will set up and maintain a fixed asset register stating the date of purchase, cost, serial numbers and normal location of the asset(s). If it holds stocks of goods, e.g. books, etc., of significant value, it will maintain proper records.

9.4. This policy will be renewed annually at the first Trustees meeting after the AGM.

10. Quotes

10.1 Where a quote is likely to be below £50 then 1 quote may be obtained

10.2 Where a quote is likely to be between £50 and £500 then 2 quotes must be obtained

10.3 Where a quote is likely to be in excess of £500 then 3 quotes must be obtained

Trustee Name

Trustee Name

Trustee Signature

Trustee Signature

Trustee Name

Trustee Name

Trustee Signature

Trustee Signature

Trustee Name

Trustee Name

Trustee Signature

Trustee Signature

Date _____