

# Corfe Castle Village Hall CIO's Financial Controls Policy

## 1. Introduction

- 1.1 Financial records will be kept so that Corfe Castle Village Hall CIO can:
- a. Meet its legal and other obligations, e.g., Charities Acts, Inland Revenue, Customs & Excise, Companies Act, Common Law.
  - b. Enable the Trustees to have control of the organisation's finances.
  - c. Enable the organisation to meet contractual obligations and the requirements of funding bodies.
- 1.2 The organisation will keep proper books of account, which will include:
- a. A cash book analysing all the transactions in the organisation's bank account(s).
  - b. A petty cash book if cash purchases are being made.
- 1.3 The financial year for Corfe Castle Village Hall CIO will end on 31<sup>st</sup> December.
- 1.4 Accounts will be drawn up after each financial year within 3 months of the end of the year and presented to the next Annual General Meeting.
- 1.5 A paper comparing actual income and expenditure with the budget will be presented to the Committee every 12 months as a minimum.
- 1.6 The AGM will appoint an appropriately qualified auditor/independent auditor to audit/examine the accounts for presentation to the next AGM.

## 2. Bank

- 2.1 Corfe Castle Village Hall CIO will bank with Santander Bank at its Bradford branch where a Business current account will be held in the name of Corfe Castle Village Hall CIO. In addition Savings accounts will be held in accounts as agreed and approved by the Corfe Castle Village Hall CIO Trustees, currently Cambridge and Counties Bank and Nationwide Building Society.
- 2.2 Changes to the bank mandate (list of people who can sign cheques or operate on-line accounts on the organisation's behalf) will always be approved and minuted by the Trustees.
- 2.3 Corfe Castle Village Hall CIO will require the bank to provide statements every month and these will be reconciled with the cash book periodically through the financial year.
- 2.4 Corfe Castle Village Hall CIO 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 Corfe Castle Village Hall CIO 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 cash analysis book and banked without delay (note this includes sundry receipts such as payments for telephone calls, photocopying, etc.) The organisation 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 on Corfe Castle Village Hall CIO's business and 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.

4.1 Payments in cash should be kept to a minimum and generally for small amounts through the petty cash system. Otherwise all payments should be BACS or by cheque.

4.2 The Treasurer will be responsible for holding the cheque book (unused and partly used cheque books) and on-line access details.

4.3 Money will only be spent to meet conditions and requirements of the funding bodies and in pursuance of the Objectives of the Constitution.

### **5. Payment Documentation**

5.1 Every payment out of the organisations bank amounts will be supported by an original invoice. The person who signs the cheque or makes a BACS transfer should ensure that the invoice is referenced with the method of payment and date drawn.

### **6. Other Undertakings**

6.1 Corfe Castle Village Hall CIO does not accept liability for any financial commitment unless properly authorised. Any orders placed or undertakings given, the financial consequences of which are, prima facia, likely to exceed in total £2000 must be authorised by the Officers. Details of any such undertakings will be presented to Trustees at the following Trustee meeting.

6.2 All fund raising and grant applications undertaken on behalf of Corfe Castle Village Hall CIO will be done in the name of the organisation with prior approval of the Trustees or in urgent situations the approval of the Chair who will provide full details to the next Trustee meeting.

## **7. Confidentiality**

7.1 The confidentiality of employees financial circumstances will be respected at all times.

7.2 Trustees, volunteers and employees will at all times act in the best interest of the organisation and if they experience a conflict of interest they will not divulge sensitive information.

## **8. Other rules**

8.1 Trustees will consider the level of reserves that is prudent for the Corfe Castle Village Hall CIO to have at its first meeting after the AGM.

8.2 Corfe Castle Village Hall CIO will maintain adequate insurance to protect its assets including equipment, cash in hand and transit as appropriate.