

Iron Acton Parish Hall

Financial Controls Policy



1. Introduction

1.1 Financial records will be kept so that The Hall Committee can:

- (a) Meet its legal and other obligations, e.g. Charities Act 1992, Inland Revenue, Customs & Excise and common law.
- (b) Enable The Hall Committee to be in proper financial control of the hall.
- (c) Enable The Hall Committee to meet the contractual obligations and requirements of funders.

1.2 The Hall Committee will keep proper books of accounts, which will include:

- (a) A cashbook analysing all the transactions in The Hall Committee bank account.
- (b) A petty cash book.

1.3 The Treasurer will create a monthly summary of financial activity (to include that month's income, expenditure, petty cash activity and the status of money owed by debtors) which will be presented to The Hall Committee at the regular bi-monthly committee meetings, as a standing agenda item.

1.4 The Hall Committee financial year will run from 01 July to 30 June.

1.5 Accounts will be drawn up after each financial year within three months of the end of the year.

1.6 The Hall Committee through its Annual General Meeting will appoint an appropriately qualified auditor/examiner to audit/examine the accounts.

1.7 The audited/examined accounts will be presented to the next AGM following Financial Year-end for ratification.

2. Banking

2.1 The Hall Committee will bank with NatWest Bank plc at its Yate Branch. The single Current Account will be maintained in the name of The Hall.

2.2 The bank mandate (list of people who can sign cheques on the organisations behalf) will be approved and minuted by The Hall Committee as will all the changes to it. Any approved changes will be made by the Treasurer.

2.3 The Current Account has on-line access; the Treasurer and at least two other committee members have on-line access.

- 2.4 The Treasurer will download a list of transactions within the previous month from the on-line account access and will reconcile all transactions with the cash book every month.
5. The charity will not use any other bank or financial institution or use overdraft facilities or loan without of the agreement of The Hall Committee.

3. Receipts (income)

- 3.1 All monies received will be recorded promptly in the cash analysis book or the petty cash book and banked without delay, or maintained within petty cash, to enable petty cash payments. The Hall Committee will maintain files of documentation to back this up.
- 3.2 All monies received electronically will be recorded promptly in the cash analysis book. The Hall Committee will maintain files of documentation to back this up.

4. Payments (expenditure)

- 4.1 A detailed cashbook will be maintained in order to demonstrate that all expenditure is on the charity's business and is properly authorised.
- 4.2 An on-line account has been created and is the primary means for conducting bank transactions, with cheques used where on-line banking is not possible. All new payees must be authorised and minuted. Invoices to be paid online are signed off at each meeting by two committee members (cheque signatories if possible). Original documentation will be retained by The Hall Committee and filed.
- 4.3 The Treasurer will be responsible for being the primary on-line account user and holding the cheque book (unused and partly used cheque books) which should be kept under lock and key.
- 4.4 Cheques require two signatures; in exceptional circumstances, it may be necessary to hold cheques pre-signed by one of the signatories. If the treasurer is the other signatory on cheques for a value of greater than £500 the second signatory must sign a separate authorisation to confirm they have reviewed the payment documentation before the cheque is signed.
- 4.5 The relevant payee's name will always be inserted on the cheque before signature and the cheque stub will always be properly completed.
- 4.6 No cheques should be signed without original documentation (see below).

5. Payment Documentation

- 5.1 Every payment from The Hall bank account will be evidenced by an original invoice, or against a supplier's statement, where no invoice was generated (but never by a final demand only). The original invoice or supplier's statement will be retained by The Hall Committee and filed. The cheque signatories should ensure that it is referenced with:

Date payment made or cheque drawn
Amount of payment or cheque

Cheque number (if applicable)
The names of the cheque signatories

- 5.2 The only exceptions to cheques not being supported by an original invoice would be for such items as deposits. Here a copy of the payment request should be kept.
- 5.3 Petty cash will be maintained by the bookings secretary who is entrusted with a £500 float or as agreed by The Hall Committee .
- 5.4 All petty cash expenditure will be supported by a complete set of expenditure vouchers.

6. Expenses / Allowances

1. The Hall Committee will, if asked, reimburse justifiable expenditure paid for personally by trustees, providing:
- (a) Other expenditure is evidenced by original receipts.
 - (b) No cheque signatory signs for the payment of expenses to themselves.

7. Cheque Signatures and Cash Cards

- 7.1 Each cheque will be signed by at least two people.
- 7.2 A cheque must not be signed by the person to whom it is payable.

8. Other Undertakings

- 8.1 The Hall Committee does not accept liability for any financial commitment unless properly authorised. Any orders placed or undertakings given, the financial consequences of which are, prima facie, likely to exceed in total £1,000, must be authorised and minuted by The Hall Committee. In exceptional circumstances, such undertakings can be made with the Chairperson's approval who will then provide full details at the next Hall meeting.
- 8.2 All fundraising and grant applications undertaken on behalf of the organisation will be done in the name of The Hall with the prior approval of The Hall Committee, or in urgent situations the approval of the Chairperson who will provide full details at the next Hall meeting.

9. Other Rules

1. The Hall Committee will adhere to good practice in relation to its finances at all times.

For any queries, please contact our Treasurer via email: treasurer@ironactonparishhall.co.uk