



Duxford Community Centre

A Charitable Incorporated Organisation. Registered Charity Number: 1157964

Financial Policy

Overview

Trustees have a legal duty to look after their charity's money and other assets. The charity must have a clear policy to deal with money coming in and going out.

The charity must be able to account for all the money it spends to help meet its aims and must make sure that:

- anyone making payments or buying goods for the charity is authorised to do so
- the charity has budgeted to spend this money
- the charity checks the prices in invoices against the quotes in the original order before payment is made.

The Committee

The committee is made up of a maximum of 12 trustees and three officers - the chairman, the secretary and the treasurer. The chairman of the committee must be a trustee. There is no requirement for either the secretary or the treasurer to be a trustee.

Authorisation

In order to comply with the duties of the charity, before buying goods or instructing third parties to provide goods or services to the charity, prior authorisation must be sort from the committee in the following way:

- a request/proposal should be presented at a committee meeting either in the form of a budget request for a particular part of an event, or a request for a particular item at a known or estimated price

- if no committee meeting is due before the expenditure needs to be made, then the above request/proposal should be emailed to all committee members for a decision before the expenditure takes place.

The request/proposal will be authorised if more than 50% of the full committee members present at the meeting agree to it or, for an emailed request, more than 50% of the total committee agree to it. Agreement by 75% of those present is required when one or more members of the committee is absent at a meeting.

Where the committee declines the request, it should provide the applicant with the reasons for its decision.

Any physical items purchased on behalf of the charity remain the property of the charity until sold or disposed of (if appropriate). An up to date stock/asset list, including details of who holds the items should be maintained by the treasurer.

When purchasing services from individuals, groups or organisations it is essential that the service provider is a *bona fide* business, sole trader or organisation. Where any doubt exists, evidence of such status must be sought.

Expenses Policy

With the exception of emergency expenses, all claims for expenses or reimbursement for goods purchased must:

- be authorised by someone other than the claimant and the expenditure, or budget for it, have been agreed by the committee prior to the claim having been submitted.
- be claimed on a Duxford Community Centre expenses claim form and signed by the claimant to certify that the claim is accurate and for money spent on charity business or goods purchased for use by the charity
- any mileage claims must be paid at HM Revenue and Customs rates

A copy of the expenses policy should be given to everyone who will be claiming or signing off expenses.

Emergency Expenses

Where expenditure, to a maximum of £200.00, is required urgently, that is within one week of application, the claimant should contact either the treasurer, the chair of trustees or the secretary. The decision to permit or refuse the emergency expenditure must be agreed jointly by the treasurer and the chair of trustees. A joint agreement to allow the emergency expenditure should be communicated to the other trustees within one week of the decision being made

Fundraising Events Controls

- any proposal for a fundraising event should be submitted to the fund raising committee for approval. Once the event is approved, a maximum expenditure will be agreed by the fund raising committee to be available during the setting up of the event. The named organiser(s) of the event is responsible for keeping an accurate record of expenditure and submitting expenses to the treasurer in a timely manner for settlement
- records must be maintained for each fundraising event in sufficient detail to identify gross receipts or takings and costs incurred
- two persons not related to each other, and one of whom should be a trustee or an officer of the charity, should be involved in counting and agreeing cash income
- for all events for which there is a ticket income or gate money or pre-purchasable raffle tickets, the ticketed income controls(*see below*) should be followed.

Ticketed Income controls

- tickets should be pre-numbered
- records should be kept by the treasurer, until after the acceptance of the next financial report, of all persons issued with tickets to sell, and which ticket numbers they have been allocated
- records should be kept by the treasurer, until after the acceptance of the next financial report, of tickets sold
- all money from tickets and any unsold tickets must be collected in and given to the treasurer as soon after an event as possible
- reconciliations should be made of money received against tickets sold by the treasurer as soon after an event as possible.

Record Keeping

- records should be kept in detail of all financial transactions and a summary should be submitted at (or before) each committee meeting if there have been any transactions between meetings
- regular checks should be made to ensure that income and expenditure records are accurate and agree with the bank paying in book, cheque book and bank statements. Bank statements should be reconciled by the treasurer on a regular basis
- the treasurer may hold a cash float for no longer than three weeks preceding an event
- any cash, except a £50.00 float kept by the Treasurer, should be paid into the bank account as soon as possible after an event
- annual accounts must be prepared in a format which complies with Charity Commission regulations
- details of all trustees' expenses must be declared each year in the annual accounts
- annual accounts must be formally approved by the trustees at an annual general meeting
- an annual return, annual accounts and annual report must be filed online with the Charity Commission on time each year.

Appendices

Appendix 1: Claim Form for Expenses or Reimbursement, ver 1.0, July 2019

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