

HAMDON YOUTH & FAMILY CENTRE TRUST

FINANCE POLICY AND PROCEDURES

Policy Introduction

The aims of the Finance Policy are to enable the Trustees who comprise the Hamdon Youth & Family Centre Trust's ("HYFC") Management Committee ("the Committee") to operate the Centre on a sustainable revenue basis with a reserve fund set aside for crises and revenue voids.

1 Financial Management

- 1.1 HYFC will manage the assets of the charity on behalf of the Parish Council of Stoke sub Hamdon in accordance with HYFC's Constitution dated 26 February 2018 and approved by the Charity Commission. The charity is set up as a Charitable Incorporated Organisation.
- 1.2 The Committee have taken note that the Parish Council of Stoke sub Hamdon takes permanent responsibility for buildings and general public liability insurance under its village cover on an "all risks" basis for its full rebuild value; and the sums insured shall be reviewed at each policy renewal. Separate public liability cover will need to be taken out by the Centre and for groups for their own activities, and for contents cover.
- 1.3 Financial records will be kept to ensure that HYFC meets its legal and other obligations under Charity Law, Revenue and Customs and common law.
- 1.4 The financial year will end on the last day of March and accounts for each financial year will be drawn up and approved by the Committee prior to being presented to the Annual General Meeting held in April. As a CIO, the accounts will need to be independently examined by an auditor or examiner of accounts appointed by the Committee. The auditor will be required to provide a written report letter.
- 1.5 The Committee must approve an income and expenditure budget prior to the start of each financial year and monitor financial performance at each of its routine meetings.
- 1.6 The Committee shall approve a Reserves Policy and determine the extent and nature of reserves designated as Restricted Funds. The allocation to reserves/restrictions will be reviewed at least annually.
- 1.7 All funds will be held in accounts in the name of Hamdon Youth & Family Centre Trust at such banks and on such terms as the Committee shall decide.
- 1.8 Any cheques and bank transfer documents shall require the signatures/online authorisation of the Treasurer ratified by a minute of a Committee Meeting.
- 1.9 The Treasurer shall present a financial report to every routine meeting of the Committee: the format and content of the report to be decided by the Committee.
- 1.10 All expenditure shall be properly authorised and documented; all income shall be paid into the bank without delay.

- 1.11 The Trustees will undertake a financial risk assessment of all trust activities and review it annually as part of a Risk Management Register and Monitoring System.

Procedures

2. Financial Records

- 2.1 The following records shall be kept up to date by the Treasurer:
- A cashbook / computer based record analysing all the transactions in the HYFC bank account(s).
 - A petty cash book / computer based record if cash payments are being made.
 - Monthly bank reconciliation

3 Payment Procedure

- 3.1 The Treasurer will be responsible for holding both unused and partly used cheque books which should be kept under lock and key.
- 3.2 Routine payments will always be made by BACS transfer by the Treasurer. Any cheques without approved payee details will **NEVER** be pre-signed. The relevant payee's name will always be inserted on the cheque before signature and the cheque stub will always be properly completed.
- 3.4 No cheques should be signed without original documentation (see below).
- 3.5 Online bank payments effected by the Treasurer must be authorized by one other signatory to the bank account and ratified by the Committee at the next routine meeting.

4 Income Procedure

- 4.1 All income will be paid into the bank without deduction.
- 4.2 Cash is to be counted by the person collecting it and placed in a bag with a pay-in slip showing source, date, amount and signature of collector; the cash to be handed to the Treasurer who should count the cash in the presence of the collector (or other person if collector not present) and confirm the amount.
- 4.3 No cash will be kept on the Centre premises. The Treasurer must keep any cash in a locked cash box.
- 4.4 Hiring agreement forms showing date, purpose of hire, and total charge due must be signed by the hirer on booking. An invoice is produced by the Treasurer and will be given to the hirer with a copy to file. The Treasurer will collect the fees and account for the income in the records.

5 Payment Documentation

- 5.1 Every payment out of the bank account will be evidenced by an original invoice. 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.

- 5.2 The cheque signatory should ensure that it is referenced with Cheque number; date cheque drawn; amount of cheque; and who signed the cheque. Records for online payments should indicate who raised the transaction and who authorized it.
- 5.3 Petty cash will always be maintained on the imprest system where by 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 receipts, totalling the required amount, analysed as required.
- 3.4 HYFC will reimburse expenditure paid for personally by Committee members on behalf of the charity, providing:
- Fares are evidenced by tickets;
 - Other expenditure is evidenced by original receipts;
 - Car mileage is based on local authority scales;

Approved by the Committee in 2019