



FRIENDS OF CARRINGTON MOSS

FINANCE POLICIES

1. Introduction

- 1.1. Financial records will be kept such that:
 - The Organisation meets any legal and other statutory obligations.
 - The Committee have proper financial control of the Organisation.
 - The Organisation meets the contractual obligations and requirements of funders.
- 1.2. The books of accounts will include:
 - A cashbook analysing all the transactions appearing on the bank accounts
 - A petty cash book if cash payments are being made.
- 1.3. Accounts will be drawn up at the end of each financial year within 3 months of the end of the year and presented to the next Annual General Meeting. The year end will be July 31st; the first accounts will be drawn up for the period July 23rd 2018 to July 31st 2019
- 1.4. Prior to the start of each financial year, the Committee will approve a budgeted income and expenditure account for the following year. *For 2018/19, this will be presented to the Committee for approval as soon as appropriate planning has been carried out.*
- 1.5. A report of actual income and expenditure, compared with the budget once this is available, will be presented to the Committee every three months or whenever meetings take place, if appropriate.
- 1.6. The AGM will appoint an appropriately qualified person to examine the accounts for presentation to the next AGM.

2. Banking

- 2.1. The Organisation will hold its operating (Current) account with Lloyds at its School Road, Sale, branch and the account will be held in the name of Friends of Carrington Moss. An appropriate Investment account will be set up if/ when appropriate.
- 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 Committee as will all the changes to it.
- 2.3. Cheques will require two signatures
- 2.4. Online banking facilities will be used to view statements and to make small payments.
- 2.5. The Organisation will require that a bank reconciliation be carried out by the treasurer at least every three months. The treasurer will provide a signed reconciliation to the Committee for filing with the minutes.
- 2.6. The Organisation will not use any other bank or financial institution or use overdraft facilities or loan without of the agreement of the Committee.



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3. Receipts (income)

- 3.1. A pre-numbered receipt will be prepared and issued for all monies received
- 3.2. All monies received will be recorded promptly in the cash book and banked without delay.

4. Payments (expenditure)

- 4.1. The aim is to ensure that all expenditure is on the Organisation's business and is properly authorised and that this can be demonstrated.
- 4.2. Until further notice, all payments made by the Organisation will be approved by the Committee **before** any commitment to spend is undertaken.
- 4.3. The Treasurer will be responsible for holding the cheque book (unused and partly used cheque books) and ensuring that these are kept in a secure place.
- 4.4. Blank cheques will NEVER be 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 appropriate original documentation (see below).
- 4.7. Lloyds online payment system may be used, provided the payment details have been pre-authorised.

5. Payment documentation

- 5.1. Every payment out of the Organisation's bank accounts will be evidenced by an original invoice (never against a supplier's statement or final demand). That original invoice will be retained by the Organisation and filed. The cheque signatory should ensure that it is referenced with:
 - Cheque number
 - Date cheque drawn
- 5.2. The only exceptions to cheques not being supported by an original invoice are items such as advanced booking fees for a future course, deposit for a venue, VAT, etc. Here a cheque requisition form will be used (Forms available from the Treasurer)
- 5.3. If a Petty cash float is considered necessary, the float amount and responsible person will be agreed by the Committee. Petty Cash will always be maintained on the imprest system. When that is more or less expended, a cheque will be drawn for sufficient funds to bring the float back to the agreed sum, the cheque being supported by a complete set of expenditure vouchers, totalling the required amount, analysed as required.
- 5.4. Expenses / allowances. The Organisation will, subject to **prior** approval by the Committee, reimburse expenditure paid for personally by Committee members or other interested parties, providing:
 - Fares are evidenced by tickets.
 - Other expenditure is evidenced by original receipts.
 - Car mileage is based on HMRC approved allowances.
 - No cheque signatory signs for the payment to themselves.
- 5.5. For payments made using the Lloyds online payment facility, the payment confirmation must be printed off and presented to the Chairperson or other committee member with all supporting documentation, to be countersigned.



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6. Other rules

- 6.1. The Organisation does not accept liability for any financial commitment unless properly authorised.
- 6.2. All fundraising and grant applications undertaken on behalf of the Organisation will be done in the name of Friends of Carrington Moss with the prior approval of the Committee or in urgent situations the approval of the Chairperson who will provide full details to the next Committee meeting.
- 6.3. The Organisation will adhere to good practice in relation to its finances at all times, e.g. when relevant it will set up and maintain a fixed asset register stating the date of purchase, cost, serial numbers and normal location of assets. Additionally the Organisation will maintain a property record of items of significant value, with an appropriate record of their use.