



North Stoneham Community Group

Finance Policy

March 2023

North Stoneham Community Group Finance Policy

DEFINITIONS:

The Charity: NORTH STONEHAM COMMUNITY GROUP
Registered no:

Board: The Board is the board of Trustees of the Charity.

Financial Year: The Charity's financial year is 1st January to 31st December.

Treasurer: The Trustee, responsible for financial book-keeping, Accounting, preparation of annual reports. Ensuring all Expenditure is within the charity's guidelines and constitution.

Authorized Persons: Those persons authorized by board of trustees to Approve financial instruments (cheques, purchase orders, Invoices, etc. on its behalf).

Banking:

The Charity will bank with Lloyds Bank plc. Treasurers Account. Accounts will be held in the name of The Charity - The North Stoneham Community Group.

The Bank Mandate (list of people who can sign cheques on the organisation's behalf) must be a minimum of two of the three authorized persons, as agreed by The Bank.

The Charity will require the bank to provide statements every month and these will be reconciled with the cash ledger and accounts by the Treasurer.

Recording Payments:

Payment by BACS:

Where payments are made directly in to the bank account via the BACS payment system the treasurer will check for such direct payments each time a bank statement is received, or on -line as circumstances require.

Payment by cheque:

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Cheques received will be documented on paying in book and deposited by the treasurer or appointed trustee to the Bank.

Cash Payments:

Cash received from events etc. will be counted by at least two trustees, itemised in the bank paying in book and deposited by the Treasurer or appointed trustee.

Payments / Expenditure:

- Payments must be authorized by at least 3 trustees.
- All expenditure must be on the charity's business, properly authorised and demonstrated.
- Expenditure from grants received for specific events and items.
- Must be authorized by trustees.
- Invoices, receipts and statements obtained with detailed reference to purchases, for accounting and auditing purposes.
- Expenditure for planned and budgeted events must be authorised by trustees. Not exceed the planned budget or funds granted or donated for said event.

Budgets:

Budgets will provide the trustees authority to spend within the amounts specified under each budget heading.

The amounts budgeted for the income and expenditure, both within budget categories and overall, of the Charity cannot be exceeded, transferred or altered without the authorization of the board of trustees.

The treasurer will provide regular reports. Informal at monthly meetings, formally six monthly and at the A.G.M. detailing actual expenditure against budget heading and ensure budgets are not exceeded.

The Treasurer will provide a draft budget at the A.G.M. based on previous income and expenditure patterns, and the expected actual income and

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expenditure for the coming financial year. The draft budget and any explanatory notes will be circulated before the meeting for comment.

Any necessary revisions will be made and a final draft budget presented to the board for approval and adoption no later than the last day in the financial year to which it applies.

Accounting and auditing:

The Treasurer, in conjunction with appointed trustees where appropriate, will ensure that all financial records, supporting documentation and reconciliations are accurately maintained, up to date and easily retrievable for analyses and examination purposes.

The Treasurer will prepare timely and accurate year-end accounts in the appropriate format with the required supporting working papers, documents and relevant reconciliations.

An auditor/examiner will be appointed at end of year trustee meeting, before presentation of accounts at A.G.M.

The Charity does not accept liability for any financial commitment unless properly authorized. Any orders placed or undertakings given which are likely to cost the Charity in excess of £50.00 must be authorized and minuted by the trustees.

In exceptional circumstances such undertakings can be made with the Chairperson's approval who will then provide full details to the next meeting of trustees.

All fundraising and grant applications undertaken on behalf of the organization will be done in the name of the charity with the prior approval of the trustees or in urgent situations the Chairperson who will provide full details to the next trustee's meeting.

The Charity will adhere to good practice in relation to its finances at all times.