



Hale Community Centre

Financial Policy

1. Budget

The Trustee Board approves an annual income and expenditure budget, to be monitored by the Treasurer. The Centre Manager is responsible for the administration of the budget.

Quarterly reporting is made to the Trustee Board on the results of centre operations. Treasurer and Centre Manager compare actuals against the budget and present to the Board of Trustees. The Treasurer follows up and responds to any board enquiries.

Annual accounts (year end 31 March) are prepared by the Treasurer and reviewed by an external examiner.

2. Ordering Equipment/Office Supplies/Services

The Centre Manager has the authority to purchase day-to-day office supplies, equipment and building services in line with the Delegation of Authority policy.

3. Petty Cash

It is the responsibility of the Centre Manager to ensure adequate local funds for purchase of sundry office supplies and postage and for petty cash reimbursements/payments.

Petty cash payments can be made against receipt and voucher. The voucher must be signed by the person receiving the cash and countersigned by the Centre Manager who is authorised to make petty cash payments. Whenever possible a receipt must be supplied. Receipts should be held until the accounts have been certified and held in storage for 7 years.

The Centre Manager is responsible for entering the voucher or receipt details weekly into the financial spreadsheet.

Cash donations must also be recorded. Centre Manager to reconcile Petty Cash and float monthly.

4. Invoices

All invoices must be stamped with the date received, signed as approved for payment by either the Centre Manager or Treasurer. Invoices should be paid by BACS within the supplier's payment terms unless there is any dispute over the charge.

5. Hire income

Hall hiring rates are reviewed by the Board annually and compared with the rates charged at other venues.

All hirers complete a booking form and pay a damages deposit which is refundable after their booking. Full payment must be received 7 days before the start of the booking. A reduced rate is available for residents of Sandy Hill and also for community, voluntary and non-profit making groups.

Invoices are issued on a monthly basis to all hirers, terms 30 days. Invoices are recorded in the Invoice Register and all payments reconciled on a monthly basis. Any overdue invoices are flagged up and chased for payment on a monthly basis.

6. Payroll

Payroll activities are the responsibility of the Treasurer monitored by the Board. Any increase in salary requires discussion and approval between Chair and Treasurer.

Payment of staff payroll is made by the Treasurer on the last working day of each month.

PAYE is due by the 19th of each month. Treasurer is responsible for meeting PAYE deadlines.

6. Expense Reimbursement

6.1 Travel/Parking Expenses

An amount of 45p per mile will be reimbursed to staff and trustees who use their cars on Centre business. Approval sought first from Centre Manager/Treasurer/Chair before agreed amount of miles per trip. The Centre will meet the full cost of second class public transport. The Centre will also reimburse the cost of parking in relation to business travel expenses.

Travel expenses form should be completed and signed at the end of each month showing the number of miles travelled and on what particular business. Car parking tickets should be attached to the claim. The Bungalow will not reimburse for any related travel fines.

6.2 General expenses

Any expenses incurred by staff or others linked to Bungalow business need to be approved by Chair and included in an expense claim at the end of the month.

6.3 Expense claims

Expense claims should be placed in the appropriate file and will be processed monthly by the Treasurer and paid by BACS.

The Treasurer is responsible for ensuring the expense claim form is in keeping with HMRC Inland Revenue requirements

7 Donations/Grants

A letter of thanks should be sent to the donor. The cheque should be banked as soon as possible. The Treasurer should also maintain the details on the Cash Recording System for bank reconciliation.

Where a donation is made by an individual, a Gift Aid Declaration Form should be provided to the donor.

7.1 Gift Aid

As a registered Charity, the Bungalow is able to claim gift aid on all donations given by UK tax payers. It is therefore important to provide the necessary Declaration Form to all donors for their signature preferably at the time of the donation, or as soon as possible thereafter. When the Gift Aid Declaration Form has been signed it should be given to the Treasurer, containing details of the actual donation or attaching details of the standing order mandate.

Gift Aid will be claimed from the Revenue annually at the end of the tax year by the Treasurer and notified to the Centre Manager and Board.

7.2 Money laundering precautions

The Centre Manager, Chair and Treasurer are responsible for accepting donations and wary of any suspicious donations - unusual or substantial one-off payments, a series of smaller donations or interest-free loans from sources that could not be identified or checked.

The Centre should be wary if they are asked to be a conduit for passing a donation to a second body, and if conditions are attached to a donation. The organisation should also look out for donations made in foreign currencies with unusual conditions attached. Unsolicited donations should be treated as suspect if trustees are not satisfied about the credentials of the people involved or the circumstances of the donation.

8 Financial procedures/controls

Financial Procedures and controls are reviewed annually (to coincide with budget) by Treasurer, Centre Manager and Board.

9 Balance sheet reconciliations

The Centre Manager undertakes monthly bank reconciliations to ensure all bank income and expenditure is recorded in the Cash Book.

Reconciliation of other balance sheet accounts are carried out by the Treasurer for the quarterly reporting to the Board of Trustees..

10 Restricted Funds

Restricted funds are managed by the Centre Manager and Treasurer. Any grant applications are presented to the Chair before submission. Any income from grant applications is reported to the Chair. Any successful grant will be allocated a Restricted

Fund Code for accounting by the Treasurer. The Centre Manager is to monitor spend of Restricted funds and give any items of spend linked to restricted funds to the Treasurer.

Restricted Funds do not generate a surplus and have specific allocation to a particular project and will be spent accordingly. A restricted fund project is reconciled with accounts after the project is completed.

Successful Grant Applications require an evaluation report compiled and sent to the relevant grant funder at the end of each project. Each evaluation is sent to the Chair before submission to the Grant funder.

11 Reserves policy

The General Reserve will be retained to enable any unanticipated major future expenditure or significant drop in revenue to be supported and also to fund the employment of the Centre Manager over the longer term. The Trustees have agreed to work towards building up a reserve to cover 6 months' operational costs.

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