

# Filby Bells Restoration

## Finance Policy

Issue No: 2

Dated: 25<sup>th</sup> November 2021

### 1 Notes

- a) Note: MUST\* and MUST NOT\* (with asterisk) denotes legal requirement.
- b) MUST and MUST NOT (without asterisk) denotes requirement of the Code of Fundraising Practice

### 2 Aims

The aim of the Finance Policy is to operate Filby Bells Restoration (the Organisation) on a sustainable revenue basis to achieve the aims set out in its constitution.

### 3 Financial Policy

- a) The trustees will manage the assets of the charity in accordance with the Filby Bells Restoration CIO Foundation Constitution dated 10<sup>th</sup> February 2020.
- b) Financial records will be kept to ensure that Filby Bells Restoration meets its legal and other obligations under Charity, H.M.R.C. and common law.
- c) The Trustees will appoint, or re-appoint, one of its Members to be Treasurer, for the following year, at the Annual General Meeting.
- d) The financial year will end on 31st March and accounts for each financial year will be drawn up and presented to the trustees for approval at the Annual General Meeting.
- e) The accounts will be independently examined by an auditor appointed at the AGM.
- f) The Treasurer shall report any significant changes to the Trust's finances at meetings of the Organisation.
- g) All significant expenditure should be authorised by the Organisation and that authorisation should be recorded in the Organisation's minutes.
- h) All funds will be held in accounts in the name of Filby Bells Restoration at such banks or building societies and on such terms as the Trustees shall decide.
- i) All income shall be paid into the bank promptly.
- j) No single trustee shall be responsible for any transaction from start to finish, i.e. procurement, authorisation and payment.
- k) Any Trustee that might benefit from the actions of the Trustees should declare an interest and absent themselves from any discussions and decisions on that action.
- l) All cheques and transfer documents shall require the signatures of two of three designated Trustees. No two authorised signatories may be partners or family members.
- m) The Organisation may use electronic banking. As electronic transfers do not carry signatures, transfers require the authorisation of two of those three trustees.
- n) The Trustees will undertake a financial risk assessment of all trust activities and review it annually.
- o) The funds from grants received may only be used for the specific purpose for which they were intended. Any diversion from that purpose should have the prior written approval of the grant body.

- p) Grant Income and Expenditure for BIG Lottery projects must be identified separately in the audited accounts.

## **2 Donations**

For the purposes of this procedure and the law, collection envelopes and collection boxes are treated in the same way, unless otherwise stated. The following guidance covers donations received in person and donations received through the post.

### **2.1 General Requirements**

- a) Records **MUST** be made of donations for specific purposes (certain appeals/projects etc) to ensure that the terms of donations are complied with. Such terms **MUST\*** be complied with.
- b) Professional fundraisers and commercial participators **MUST NOT\*** make any deduction from cash received for the organisation. Other fundraisers **MUST NOT\*** make deductions from cash received unless agreed with the organisation.
- c) Local Authorities may impose additional rules about making deductions from collections and fundraisers/fundraising organisations **MUST\*** comply with these where relevant.
- d) Expenses **MUST\*** be met (where previously agreed) by the organisation after receipt of the donation.

### **2.2 Receipts**

- a) For house-to-house cash collections where a sealed collecting box is being used, donations **MUST\*** be placed inside. Otherwise, the collector **MUST\*** issue and sign a receipt for the donated amount.
- b) For street collections, donations **MUST\*** be placed in sealed collecting receptacles. It is not necessary to give a receipt.

### **2.3 Cash**

- a) Cash donations are to be handed to the treasurer who, where possible, should count the cash in the presence of the person handing it in (or other person if collector not present) and confirm the amount.
- b) Cash **MUST** be collected, counted and recorded by two unrelated individuals, wherever possible. (Collection boxes **MUST\*** only be examined and opened by the promoter of the collection (e.g. a charity's fundraising manager) and one other responsible person or by an official of a bank).
- c) Cash **MUST** be counted in a secure environment.
- d) Persons transferring large amounts of cash between venues should be aware of the risks and seek the added security of a trusted companion during the transfer.
- e) Cash not banked immediately **MUST** be placed in a safe or other secure location.
- f) Unsecured cash **MUST** never be left unattended or in an unattended environment.
- g) At the earliest possible date, reconciliation **MUST** be made between cash banked and income summaries. Where practical, this **MUST** be undertaken by a person independent of the counting and cashing up of the money.

### **2.4 Banking**

All income will be paid into the bank without deduction.

## **2.5 Cheques**

Cheques MUST be banked promptly.

## **2.6 Children**

- a) Children under 16 MUST NOT be left with overall responsibility for handling money and/or responsibility for counting collected money.
- b) House to house collections MUST NOT\* be carried out by anyone under 16. Collectors in street collections MUST NOT\* be under 16 except in London where, if special consent is obtained, street collectors aged 14 or over can be used.

## **2.7 Handling Cash at Events**

The information in this section about events only applies to donation processes.

### **2.7.1 Record Keeping**

Organisations MUST\* ensure that they comply with HMRC requirements regarding record keeping for VAT purposes.

### **2.7.2 Floats**

- a) Floats MUST be signed for by a nominated individual.
- b) Where petty cash expenditure is paid from the float, this MUST be recorded separately and any receipts kept.
- c) Floats and any sale monies received MUST be kept separate from the cash handler's personal money.

### **2.7.3 Tills**

In this section, tills include all taking and storing money receptacles.

- a) All monies MUST immediately be put into the till.
- b) Change MUST be given only from the till and never from personal money.

## **2.8 Cheques from Trading**

- a) Change MUST NOT be given for cheques.
- b) Refunds MUST NOT be available until the money is in the organisation's account.

## **2.9 Major Donations**

With large donations, the organisation may need to consider them, in more depth, depending on the risk, including the size and nature of the donation, and whether it appears to have any suspicious characteristics. Large donations should be reviewed following the guidelines of the Charity Commission for England and Wales document: Tool 6 – 'Know your donor – key questions'.

## **3 Payments**

### **3.1 Payment Procedure**

- a) The treasurer will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept under lock and key.
- b) Blank cheques will NEVER be signed.
- c) Cancelled cheques should not be destroyed but retained for the record

- d) The relevant payee's name will always be inserted on the cheque before signature and the cheque stub will always be properly completed.
- e) No cheques should be signed without original documentation (see below)

### **3.2 Payment Documentation**

- a) The organisation does not operate a petty cash fund.
- b) Trustees making small purchases will be paid by the Treasurer on presentation of receipts.
- c) No payment will be made without a receipt being presented.
- d) Every payment out of the Organisation's bank accounts will be supported by an original invoice, till receipt, cash voucher or debit/credit card statement.
- e) All payments must be authorised with two Trustee signatures.
- f) Expenses incurred, personally, by authorised personnel or trustees, on behalf of the Organisation, will be paid providing fares are evidenced by tickets and other expenditure is evidenced by original receipts.
- g) Expenses incurred by authorised personnel may bear an added benefit such as Tesco Club Card or Nectar point that can only be credited to their personal cards. Those benefits should be returned to the Organisation by way of further appropriate purchase with the accrued points.
- h) No cheque signatory may sign for the payment of expenses to themselves.

### **2.5 Cheques**

If sending cheques, the organisation MUST ensure the method of sending the cheque is appropriate to the value being transported.

Signed for and on behalf of Filby Bells Restoration...

**Phillip Scott.** – Chairman

**Bernard Chase** – Treasurer