

Financial Control Policy

Introduction

The Trustees and Committee Members of Liphook Village Hall CIO recognise that internal financial controls are essential checks and procedures that allow the Trustees to:

- meet their legal duties to safeguard the Charity's assets.
- administer the Charity's finances and assets in a way that identifies and manages risk.
- ensure the quality of financial reporting by keeping adequate accounting records and preparing timely and relevant financial information.

This policy covers all the Charity's financial affairs including:

- financial records and accounts
- banking
- income
- expenditure
- delegation of financial responsibility
- asset register

1 Financial Records and Accounts

1.1 The accounts must include:

- a cashbook, or electronic equivalent, analysing all the transactions appearing on the bank accounts.
- a petty cash book if cash payments are being made.

1.2 Accounts will be drawn up to the end of each Financial Year preferably within three (3) months of the financial year end and submitted to the Charity Commission within ten (10) months of the Financial Year end.

1.3 The current requirements for the preparation of accounts and their examination/audit will be obtained from the Charity Commission website and followed by the Charity.

2 Banking

2.1 Bank accounts will be held in the name of Liphook Village Hall CIO.

2.2 The bank mandate (list of people who can sign cheques or authorise electronic payments on the Charity's behalf) will always be approved and minuted by the Trustees as will any changes to it.

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- 2.3 The treasurer to the Trustees will reconcile bank statements with the Charity's records on a regular basis and will prepare a report to be presented at every Trustee meeting on the status of financial records.

3 Income

- 3.1 Income will be recorded separately in the accounting record and updated monthly.
- 3.2 All other monies received will be recorded in the accounting record and banked without delay. The Charity will keep records of all financial transactions.
- 3.3 The Booking Clerk will prepare an arrears report to be presented at every Trustee meeting.

4 Expenditure

- 4.1 All expenditure will be in accordance with the objects of the Charity.
- 4.2 The Chair will keep cheque books (including unused and partly used cheque books) and these will be securely stored. Blank cheques will never be signed. The relevant payee's name and the amount in words and figures will always be inserted on the cheque before signature and the cheque stub will always be properly completed. No cheques will be signed without original documentation (please refer to 5.1 below).

5 Payment documentation

- 5.1 Every bank payment out (including BACS, Direct Debit and Standing Order) of the Liphook Village Hall CIO bank accounts will be evidenced by an original invoice (never against a supplier's statement or final demand). The original invoice will be retained by the Charity and filed. The signatories should ensure that a record of the payment made is noted on the invoice, including the cheque number or BACS reference.
- 5.2 Expenses/allowances. Liphook Village Hall CIO will, if asked, reimburse expenditure paid for personally by staff, providing:
- fares are evidenced by tickets.
 - mileage allowance as agreed by the Trustees.
 - no signatory shall sign for or authorise a payment of expenses to themselves.
 - other expenditure is evidenced by original receipts.

6 Cheque/BACS Signatures

- 6.1 Trustees authorised on the bank mandate are authorised to sign cheques and authorise BACS payments. All payments over £500 will be authorised by two people as per the bank mandate.
- 6.2 A cheque/BACS **must not** be authorised by the person to whom it is payable.

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7. Assets

Liphook Village Hall will maintain a fixed asset register.

This policy has been approved by the trustees and the committee members at a meeting held on

Date:

Signature:

Name: