

# COMMUNITY ORCHARD GREENSIDE

## FINANCIAL POLICY

### **Board of Trustees Responsibilities:**

As a registered charity, Community Orchard Greenside (COG) is legally obliged to keep accounts and all Trustees have a duty to ensure that the Organisation is properly managed and that funds are spent for charitable purposes.

Although the Treasurer oversees the finances on behalf of the Board, the Board of Trustees have overall responsibility for the organisations money.

The Board of Trustees main financial responsibilities are to:

- Comply with legal requirements i.e. Charity Law
- Approve and monitor budgets
- Ensure proper financial records are kept
- Ensure proper control is exercised over income and expenditure
- Oversee fundraising policy and activities

### **Procedures:**

#### **The Treasurer will ensure that:**

- Proper records of all income and expenditure are kept
- The Board of Trustees are given a quarterly report
- Annual accounts will be prepared to conform to the requirements of the Charity Commission
- Annual accounts are independently audited and the report given to all Trustees

Hire fees should be paid in advance, or on the day of the hire, unless prior arrangements have been made

### **Expenditure:**

The Board of Trustees will regularly check to ensure that records are being accurately maintained and there are no discrepancies in accounting. These will be made by someone other than the Treasurer.

- All expenditure should be authorised, where possible, by the full Board of Trustees. If this is not possible, then the Treasurer and the Chair shall authorise expenditure. Any arrangements made shall be relayed to the Board at the next available Board meeting.
- At least two quotes to be given for any work over £500 carried out on the Orchard site. If Board of Trustee members wish to tender for this work, the Board Trustee member should declare an interest when attending Board Meetings and not participate in the tendering process.

- All supporting documentation should be kept i.e. invoices, receipts, quotes etc. No payment will be made without a valid receipt or invoice. Two of the three named Board of Trustees members shall sign all cheques. One of these must be the Treasurer, unless the Treasurer is on holiday or unwell, when one of these must be the Chair or Vice Chair.
- Cheques made payable to a nominated signatory should not be signed by that person.
- Cheques signed in advance with no amount specified (blank cheques) will not be given. This is seen as bad practice, open to error or temptation.
- Arrangements will be put in place to ensure that payments can be made while the Treasurer is either on holiday or unwell.

### **Internal Budgets:**

- The Board of Trustees must discuss and approve any budgets and these will be minuted.
- An annual budget will be set, giving a realistic estimate of expected income and expenditure and assessing the sustainability of net running costs against charged income.
- The Board of Trustees may consider a capital project over a longer term 3-5 year period. Such projects which require funding will be planned well in advance and a steering group set up to manage the project.

### **Fundraising/Special Events:**

It is the responsibility of the Board of Trustees to ensure that there is control of the funds raised, so that the charity receives all the money to which it is entitled.

- An income and expenditure budget will be set and agreed by the Board of Trustees prior to any event taking place. (This may entail submitting a funding application.)
- All records must be maintained for each event; clearly stating all income and expenditure and profits made.
- All invoices/receipts must be produced before any payment is made.
- A financial breakdown of both income and expenditure will be produced by the Treasurer, with support from the lead person organising the event. Copies of this will be circulated to the full Board following the event.

### **Funding Applications:**

The Board of Trustees may wish to elect a subgroup to oversee the writing of funding applications. This subgroup must include at least two Trustees and may also include Officers of the Local Authority, or other support workers, as necessary.

- Any agreement to submit a funding application must be passed at a meeting of the Board (specifically minuted) where the application will be discussed.
- All funding applications should be signed by the Chair or Treasurer.
- Funding applications will not be submitted without the knowledge of the full Board.

## **Payment of Cash:**

Every effort should be made to reduce the need for cash payments.

- All cash payments will be made from a “petty cash float”, from a fixed amount which is regularly replenished from the bank. Payments will not be paid directly from incoming money.
- Petty cash will only be given on production of a valid receipt and authorised by the Treasurer. The Treasurer should be given at least one weeks’ notice.
- A record of petty cash expenditure will be kept and reported to the full Board of Trustees on a monthly basis.
- All petty cash receipts to be kept and filed, as appropriate.

Policy adopted at a COG meeting held on

Signed:

Chair: