



Financial Governance Policy

This document sets out the Charity's approach to the management of finances, expenditure, donations and transactions.

1.0 General Principles

1.1 Monies raised by (or donated to) the Charity will be used for the purposes of furthering the objects of the Charity, as specified in the constitution.

1.2 The Trustees and Officers of the Charity will, so far as possible, seek to balance expenditure with income. Substantial financial surplus/reserves are to be deposited in the Charity's Business Instant Access Savings Account to ensure the solvency of the Charity.

We have 2 bank accounts with Lloyds Bank

Treasurer's Account – current account (will be used for small day to day running of Charity)

Business Instant Access Savings account (will hold most of our funds and receives Local Giving donations.)

1.3 Significant expenditure (exceeding £500 in one purchase/transaction or cumulative expenditure within the preceding 30 days) should be agreed by a majority of the Trustees in advance of its occurrence, and be recorded in an appropriately minuted meeting.

1.4 Procedures should be in place to enable routine, pre-authorised small-value transactions to proceed without undue bureaucracy, to permit the smooth day-to-day running of the Charity. This will be undertaken by the Treasurer by means of online banking access using the Charity's 'Treasurers Account' which will not have more than £500 deposited unless transferred from savings for a specific agreed purchase. The Chairman and if required other agreed committee members will have view only access to the Charities bank accounts to ensure appropriate Governance of the Charity's finances.

Cheques can also continue to be used and require 2 signatories.

1.5 Financial transactions should be recorded in a manner that ensures external audit and/or scrutiny can take place as required by legislation.

1.6 The Trustees devolve responsibility for the day-to-day management of the Charity's finances to the Treasurer, including management of bank accounts, financial returns and financial record keeping.

2. Fundraising

2.1 Where possible, the Charity will aim to promote the use of non-cash donation platforms (examples include 'Local Giving', 'Just Giving' etc).

2.2 In some circumstances, it may be practical and desirable to receive small-sum cash donations (such as at public engagement events or 'fundraisers').

2.3 In these circumstances, public cash donations should be received in sealed donation tins/buckets designed for this purpose.

2.4 After sealing, such donation vessels should only be unsealed in the presence of **two** members of the Charity. Cash should be double-counted and a written record maintained of the location of such vessels and sums maintained. Appendix 1 provides a suitable record form.

2.5 Cash donations should be paid in to the Charity's bank account at the earliest practical opportunity. It is not the Charity's policy to hold petit cash. Gift aid can be claimed on anonymous cash donations not exceeding £20.

3. Expenditure

3.1 Expenditure greater than £500 will require approval and minuting in a committee meeting or if decision required sooner by written/email communication and minuted at the next committee meeting.

3.2 The Trustees and officers duly authorise the Treasurer (or his nominated deputy) to make payments of up to a maximum of £500 (either as a single transaction, or as the cumulative value of multiple transactions in a 30-day period) without specific approval, and without the need for an additional countersignature. This is to facilitate the smooth running of the Charity and to cover sundries and miscellaneous small expenses incurred in the day-to-day management of the organisation.

3.3 The Treasurer, or a nominated deputy, may make payments up to the above pre-authorised limit by debit/cash card, cheque, bank transfer or cash. Receipts and records should be retained for subsequent scrutiny.

3.4 Receipts and records of electronic expenditure should be retained in line with prevailing requirements of regulating bodies, including the Charity Commission, HMRC etc.

4. Restricted Funds

4.1 On occasion, the Charity may raise funds (or apply for grants / awards) for a specific project or purpose. Such funds are often referred to as 'restricted funds', and should be recorded as such in the Charity's accounts.

5.0 Expenses

5.1 Individuals may claim expenses legitimately incurred in undertaking business of the Charity. Expenses of a value greater than £250 (either as a single item, or a cumulative total over a 30-day period) should be agreed in advance by a meeting of the Trustees/Officer of the Charity. Records should be retained for auditing if required.

5.2 From time to time the Trustees and Officers may pre-authorise certain expenses up to a given limit. Such decisions should be recorded in a minuted meeting.

6.0 Treasurers Reports, Accounts, Statements and Records

6.1 The Treasurer should provide an annual report to the Trustees.

6.2 Account statements and records should be retained for 7 years, unless otherwise required by legislation.

Appendix 1 – Collection Pot Record Form

Collection Pot Location _____

Seal Number _____

Seal broken by _____ Date _____

Signed: _____

Value of cash contents: £ _____ . _____ pence

Witnessed by _____ Date _____

Signed: _____

Money Paid in by: _____ Date: _____

Signed: _____