

Occold Recreation & Amenities Council Finance Management Policy

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Financial Policy Statement

ORAC is committed to ensure that its systems of financial government conform to the requirement of both propriety and sound financial management. Controls are a necessary feature of any well-run organisation. Because of the special characteristics of the charitable sector, they play an essential part in helping to show potential donors and beneficiaries that the charity's property is safeguarded, and that its management is efficient. It is essential that there are adequate internal financial controls over the charity's assets and their use.

Accounting practice

- Records are kept in EXCEL computer accounting system.
- Receipts and payments sheets are kept up to date and are itemised into several categories to provide a constant check on receipts and payments.
- Bank statements are reconciled monthly.
- The current account is with HSBC Bank and operated through Internet Banking.
- A Debit purchase card is available along with a Sum-up device to enable card payments to be made into the account eg at fundraising events.
- The Bookings Secretary invoices hirers using a numbered invoice system and all numbers are accounted for.
- The Treasurer collects some payments in cash or as cheques and pays them into the Bank Account.
- Other payments are made by BACS.
- The Treasurer keeps a record of payments received so that unpaid invoices can be followed up.
- Cash generated by groups running ORAC activities eg coffee mornings, craft club, are paid direct to the Treasurer with a numbered receipt generated from a duplicate book, listing the source of the cash.
- All monies in are paid into the HSBC account.
- A small cash float is held as petty cash.
- Finances are managed in accordance with the Charity Commission Internal Financial Controls for Charities (CC8) advice.
- The Treasurer will present the report and accounts of the charity for the preceding year to the Annual General Meeting, which is held in March each year.
- The Year End accounts are audited by a competent person unconnected to the hall or the Treasurer.
- Should the turnover on the accounts exceed £25,000 then the Year End accounts will be checked and certified by a qualified Accountant.

Day to day controls

- A Treasurer's report is given at each Management Committee meeting.
- Committee members formally approve the charity's annual report and accounts.

- There are three signatories on the current account and none are related, usually Chair/Vice Chair, Secretary and Treasurer. Any one signatory must sign each cheque.
- Monies raised at fundraising events are counted by at least two people before banking.
- Duplicate bank statements are held by the Chair/Vice chair to reconcile with the monthly financial reports.

Internet Banking and Debit Card

- The Treasurer manages the internet banking procedures and is the Primary User for the account with authority to make payments using the Digital Security Device.
- HSBC only allow the Primary User to make payments and have full access to other facilities on the account.
- A Secondary User with a separate DSD can access the account to check balances and payments.
- The Debit card is available for online purchases and shopping where an invoice cannot be raised.
- This is held in the Treasurer’s name with a PIN known to the Treasurer.
- The Debit card & PIN must only be used by the nominated person and must not be shared with other committee members.
- The Debit card must not be used for any non-business or personal expenses and must not be used to obtain cash from an ATM.
- Purchases using the Debit Card must be authorised by another account signatory using an official order form.
- Receipts/invoices are required to support every item of expenditure either through internet banking or debit card.
- Where possible Direct Debit payments can be set up to pay regular bills eg utilities – Electric, Internet, Water rates

Occold village hall accepts and implements the guidance provided by the Charity Commissioners in the management of its operations, as follows:

- The Management Committee of the hall is under a duty to ensure that the charity keeps proper books and records, and that annual accounts are prepared. The annual report and accounts should conform to any relevant requirements and recommendations.
- The Management Committee must ensure that the accounts are subjected to external scrutiny, if that is required by legislation or by the charity’s governing document.
- The Management Committee must formally approve the charity’s annual report and accounts.
- It is recommended that all Committee members are provided with copies of the charity’s end of year report and accounts each year.
- New Committee members are to be given a copy of the latest accounts on appointment, together with other essential documents such as the governing document (The Constitution), and information about the charity’s history.

Controls over expenditure

The Management Committee is responsible for all expenditure of charitable funds and have to account for how the charity’s funds have been applied.

Controls over purchases

The Management Committee is responsible to put adequate checks in place to confirm that purchases have been properly authorised, and that goods or services ordered have actually been received.

Policy agreed by the committee on

Signed

