



Maindee Unlimited - UK Charity No: 1160272

Financial Procedures

1. Overview

1.1 Financial records will be kept so that Maindee Unlimited can:

- meet its legal, governance and compliance obligations, e.g. Charities Acts, HMRC, Companies Act, Data Protection Act,
- enable the Trustees to have control of the organisation's finances and
- enable the organisation to meet the needs of its users, contractual obligations and the requirements of funding bodies.

1.2 The organisation will keep proper books of accounts via an electronic finance system and other appropriate computer software.

1.3 The Maindee Unlimited financial year will end on 31st March each year.

1.4 Accounts will be drawn up after each financial year, within 2 months of the end of the year, and be presented to the next Annual General Meeting.

1.5 Before the start of each financial year, the Board will approve a budgeted income and expenditure account for the following year and a forecast for a further 2 years.

1.6 A monitoring report comparing actual income and expenditure with the budget will be drawn up at least every 3 months and be presented to the Trustees.

1.7 The AGM will appoint an appropriately qualified person/company to examine/audit the accounts and financial records for presentation to the next AGM, as appropriate to its legal and charitable obligations.

2. Roles and Responsibilities

2.1 Trustees duties will encompass:- developing budgets and coordination, producing an annual budget, overseeing, planning and implementation of any fundraising, being accountable to funders through reporting and provision of information as required.

2.2 Finance Officer Accountable to Treasurer and Trustees. Manage petty cash. Input all expenditure and income information into the financial system. Prepare individual and integrated reports based on both funding streams and/or work programmes/discreet

projects. Carry out petty cash analysis and monthly bank reconciliation as necessary. Prepare regular financial reports for the Trustees. Carry out banking duties including paying in/cashing cheques and general account liaison. Prepare payments against invoices, salaries, expenses claims and other orders. Liaise with the accountant for the annual accounts and examination. Liaise with payroll and other bodies as required.

2.3 The Treasurer will guide and advise the Trustees in the approval of budgets, accounts and financial statements. Advise the Trustees on the financial implications of Maindee Unlimited's strategic plans and key assumptions included in its operational plan and annual budget. Formally present the account at the AGM.

2.4 The Finance Committee will work with the treasurer to address financial issues. Monitor levels of financial reserves and report on it.

2.5 Trustees Approve the budget for the year. Approve initial cheque signatories, and any later name changes, to the bank account. Monitor the financial position based on quarterly reports with advice from the Treasurer and the co-ordinator. Agree a reserves policy and review it.

3. Bank

3.1 Maindee Unlimited will bank with Barclays Bank. The accounts will be held in the name of Maindee Unlimited. Maindee Unlimited will have a current account and business reserve account.

3.2 The bank mandate (list of people who can sign cheques on the organisation's behalf) will always be approved and minuted by the Board of Trustees, as will all changes to it.

3.3 Maindee Unlimited will require the bank to provide statements every month. The Finance Officer will reconcile the statements with the electronic finance system. Suitable finance summaries will be provided to the Finance Committee/Treasurer.

3.4 Maindee Unlimited will not use any other bank or financial institution or use overdraft facilities or invest speculatively unless authorised, approved and minuted by the Board of Trustees.

4. Income

4.1 All monies received will be recorded within a reasonable time frame and banked as soon as possible. Maindee Unlimited will maintain detailed files of source documentation e.g. letters from funding bodies, bank statements and cheque stubs or bank printouts. All documentation will be retained in line with the relevant legal requirements.

4.2 All fundraising and grant applications undertaken will be conducted in the name of Maindee Unlimited with the prior approval of the Board of Trustees or in urgent

situations through the approval of the Chair and by email to the Board. Full details will then be presented at the next Board Meeting.

- 4.3** All sales invoices should be raised by the Finance Officer on Maindee Unlimited headed invoices. This will be in an appropriate format and will be sequentially numbers following a system of year/3 digit invoice number (e.g. 2016/001). It is the responsibility of the Finance Officer to follow up outstanding invoices.

5. Expenditure – Payment by Cheque

- 5.1** Money will only be spent in pursuance of the Objectives of Maindee Unlimited and the current business plan/projects.
- 5.2** The Finance Officer is responsible for preparing all payments of invoices and other orders. Before an invoice can be paid it must be authorised and signed off by the budget holder.
- 5.3** Payments out of the organisation’s bank accounts should be supported by a purchase order and original invoice (never against a supplier’s statement or final demand) and an expenditure approval form. The expenditure requisition form should be signed by the budget holder. These will be filed and kept for the appropriate time period. The purchase order will contain details of the item/service to be purchased, the cost of the item including (where relevant) VAT. The budget heading from which the monies should be taken and must be signed by the budget holder or if they are unavailable the treasurer or other trustee. This should be forwarded to the treasurer when the goods/services are ordered.
- 5.4** The Finance Officer holds the cheque book, which must be kept secure at all times.
- 5.5** All details must be completed on each cheque/stub before any signature is made.
- 5.6** All cheques must be signed by two signatories, at least one of which must always be a trustee. No cheques will be signed without original documentation. Blank cheques should NEVER be signed.
- 5.7** Any single expenditure exceeding £2000 (unless already in the approved budget) or an overspend on a particular budget heading of more than 10%, should be authorised by the Finance Committee before an order is placed and it should be minuted at the next Board meeting.
- 5.8** Maindee Unlimited does not accept liability for any financial commitment unless properly authorised.

6. Expenditure – Petty Cash

- 6.1** Petty cash will be maintained on an ‘imprest’ system with a starting float of £50. Petty cash is only intended for smaller items normally up to a value of £15, anything over this amount should be paid by cheque. The only exception is cleaning materials which can

be purchased up to the value of £25. Travel expenses should always be claimed through the proper expenses claim procedure to ensure authorisation is given. A petty cash request form must always be filled in and receipts should be attached. The petty cash balance will be reconciled when necessary under the 'imprest' system.

- 6.2** The Finance Officer is responsible for maintaining the system and reconciling petty cash in to the main finance records on a regular basis.
- 6.3** The petty cash box must always be kept secure.

7. Expenditure – Salaries

- 7.1** GAVO will provide payroll support and will process all Maindee Unlimited salary payments via BACS IP. All employees will be paid with the PAYE, National Insurance rules. It is the responsibility of the Finance Officer to input salary payments into the electronic finance system.
- 7.2** Advances on salaries cannot be made.
- 7.3** Expenses/Allowances – Maindee Unlimited will reimburse 'out of pocket' expenditure for staff and volunteers, according to the terms set out in the Maindee Unlimited expenses policy. The basis of which is wholly, exclusively and necessarily incurred in the pursuance of specific duties and objects of Maindee Unlimited.

8. Debit Card

- 8.1** Maindee Unlimited will hold one debit card which will be issued in the name of the treasurer. Maindee Unlimited staff can, according to circumstance, use the card to pay for certain expenses. The card should primarily be used for online purchases and only when there is a definite advantage either financially or time wise, e.g. travel bookings are often cheaper when made online, or quick payments might be needed to secure a place at an event. The card cannot be used for paying regular invoices. The card cannot be used for taking out cash.
- 8.2** There must be documentation for any payments made on the card. The Finance Officer will check all transactions against the documentation.
- 8.3** The card must be kept secure.

9 Internet Banking – Maindee Unlimited will have a view only internet banking account.

10 Fixed Assets – All fixed assets costing more than £100 will be recorded in a fixed asset register. The register will record details of purchase and costs and in due course disposal. An inventory list will also be kept of all smaller items owned by Maindee Unlimited.

- 11 Reserves** – The Trustees will consider the level of reserves that it is prudent for Maindee Unlimited to have. Consideration will be given to redundancy liabilities, lease agreements and any other significant factors that should be taken into account were Maindee Unlimited be unable to meet going concern requirements.
- 12 Confidentiality** – The confidentiality of employees and volunteers financial circumstances will be respected at all times.
- 13** Trustees, partners, volunteers and employees will at all times act in the best interest of the organisation and if they experience a conflict of interest they must declare it and they must not divulge sensitive information.
- 14 Review of Policy** – This policy will be reviewed annually.

8 May 2016