



Registered Charity No. 1192282

# Procedure – Financial Controls

**Approved by Trustee Board:**

**9<sup>th</sup> April 2021**

**Next Review:**

**April 2022**

## Introduction

This procedure sets out the arrangements for the financial management of the charity. It has been prepared to ensure financial compliance with relevant legal requirements charity and takes account of the guidance issued for Community Amateur Sports Clubs (CASC).

## Responsibilities & Authorities

The trustees are collectively responsible for establishing the financial controls and monitoring performance to ensure compliance with legal requirements.

The Treasurer is responsible of processing and banking all financial transactions associated with the charity's activities including

- Membership fees, receipts and donations.
- Purchasing of capital and major revenue items
- Payment of approved invoices
- Preparation of budgets and accounts
- Co-ordinating fundraising activities in conjunction with other trustees
- Managing a working cash float for small value purchases
- Maintenance of an Inventory of the charity's significant assets

The trustees are responsible for

- Arranging volunteers to be present at the venue to collect membership fees and other monies received.
- The safe retention of the collected monies until transferred to the Treasurer.
- Co-ordinate fundraising activities with the Treasurer.

To facilitate the smooth running of the charity the Chair, Treasurer and Secretary have the delegated authority to enter into contracts, makes purchases and approve expenditure up to the value of £500. Purchases beyond this value should be agreed by the Trustee Board.

## Procedure

### Reserves

The trustees will ensure that financial reserves are

- Established and maintained to support the charity's planned activities for a period of not less than one year. The level of this reserve will be agreed by the Trustees at the beginning of each financial year (1<sup>st</sup> November to 30<sup>th</sup> October).
- Invested in an account which ensures that capital is not put at risk the charity can sustain sufficient working capital.

## Budgets

The Treasurer prepares a budget of income and expenditure for each financial year (1st November to 30th October) for approval by the trustees.

Prior to approval of the budget the trustees must

- Consider whether the proposed budget is sufficient to support the charity's objectives and agree whether reserves (if available) are required to be used.
- Agree the maximum net cost of each planned exercise, sports or social event.
- Determine the level of variance which is required to be reported to the trustees.

## Income

### *Cash, Cheques & Cashless Payments*

The Session Receipt and Petty Cash Sheet (ref 1) is used to record of income received at each of the sessions. This includes the name(s), date and amount received.

The total amount of money received (cash, cheques & e-payments) must be checked by two people and recorded on the Session Receipt and Petty Cash Sheet.

The money (cash and cheques) together with the Session Receipt and Petty Cash Sheet must be transferred to the Treasurer at the end of each session.

### *Fund Raising Activities*

Where tickets are issued then these are pre-numbered and a record is kept of the persons issued with tickets to sell and associated the ticket numbers.

*Notes: Records are kept of which tickets have been sold and that the money received against the tickets sold is subject to reconciliation.*

## Donations

The Secretary ensures that the details (name and date received etc) of any donation is recorded.

Note:

- Any small cash donations received at the regular sports sessions are recorded in the Session Receipt and Petty Cash Sheet.
- Donations of goods and services for fund raising activities (egg raffle prizes) with a value of less than £30 are not recorded.

The trustees receive a list of donations and review to

- Confirm that the donation is from an acceptable source and
- Any specified conditions of the donation are agreed and acted upon.

Any cash and cheques received are transferred to the Treasurer for banking.

All non-cash donations are retained and stored securely until either sold or used for the benefit of members.

## Purchases

The purchase of equipment, materials and insurances must be approved by a trustee

prior to the order being placed and recorded on the Purchase Order agreement form (ref 2).

The Treasurer ensures that all purchases of significant equipment (and any donation of such items) is recorded on the inventory of significant equipment (ref 3).

## Payments

### *Goods & Materials*

Payments in excess of £50 must be made by either BACS or cheque and approved by any of two the following individuals.

Fiona Mackintosh      Jenny Morris                      Howard Robinson      Maggie Winter

If any of the above individuals make order then they are not permitted to approve the payment. Proof of receipt or invoice should be attached to the Purchase Order agreement form and submitted to the Treasurer.

Miscellaneous expenditure up to the value of £50 can be paid from Petty Cash, subject to a receipt being provided and must be recorded in the Session Receipt and Petty Cash Sheet. The Session Receipt and Petty Cash Sheet together with relevant receipts must be transferred to the Treasurer at the end of the session.

The Treasurer confirms that the goods & materials have been received and enters details into the charity's accounts and where relevant the inventory of significant equipment.

### *Payment of Coaches / Teachers*

Where coaches or teachers have been hired to deliver a session then they must provide a uniquely identified written record (invoice / receipt) identifying their name (and / or business), the nature of the session(s) together with the date and location of where the session was held.

### *The Sports Session Leader*

- Signs the invoice / receipt to confirm that it accurately reflects what was delivered.
- Provides the "invoices" to the Treasurer.

### *The Treasurer*

- Ensure that no payments are made without an approved invoice.
- Arranges payment to the coach / teacher via bank transfer.

## Expenses

The charity does not routinely pay expenses to support the charity's activities. The trustees may agree to pay ad-hoc expenses incurred by individuals for

- Attending training courses to support the charity's objectives.
- When travelling to external competitions (egg football tournament) if suitable transport is not provided by the charity and this enables members to participate.

"Ad-Hoc" expenses must be agreed by the trustees on a case-by-case basis prior to them being incurred and approval recorded on the "Ad-hoc" expenses form (ref 4).

## Banking

The Treasurer ensures that all monies, including cash and cheques, are paid into the Together We Can Do bank account with Unity Trust Bank.

Cash and cheques should be deposited as soon as possible following their receipt. In the event of multiple deposits being made at the same time then the source of the income should be readily identifiable.

## Accounts

### *Management*

The Treasurer ensures that summary details of receipts, donations and payments are recorded into an accountancy spread sheet / software package.

The Chair undertakes periodic checks to confirm that there is no discrepancy between the income and expenditure and the "Accounts" spreadsheet.

The Treasurer and Chair independently check that the income and expenditure records are consistent with the bank statements and if necessary will report any discrepancies to the trustees.

### *Review*

The Treasurer provides the balances of all bank accounts, together with details of income, expenditure or any budget variance to the trustees.

The trustees review this information at each scheduled meeting to obtain assurance that financial propriety of the charity is maintained.

The Treasurer ensure that records of receipts, donations, expenditure and payments are subject to independent review prior to being used to prepare the end of year accounts.

### *Approval & Reporting*

The Treasurer provides a draft Summary of Accounts report to the trustees for approval.

Prior to approval of the accounts the trustees must ensure that

- the accounts have been examined by an appropriately qualified independent person.
- the appropriately qualified independent person is satisfied that the accounts are accurate.

The Secretary ensures that the approved Summary of Accounts is provided to members at the Annual General Meeting.

## Records

The Treasurer ensures that all document and records required by this procedure are retained for at least 6 years.

## References

1. Session Receipt and Petty Cash Sheet, Issue 1, Nov 2020
2. Purchase Order Agreement, Issue 1, March 2021
3. Inventory of Significant Equipment, Issue 1, March 2021
4. Ad-hoc” Expenses Form, Issue 1, Nov 2020