

Messingham Village Hall Finance Policy

1. Purpose

The purpose of this document is to agree the financial regulations that will be applied to the Messingham Village Hall Committee.

These regulations are necessary to:

- a) Protect the Committee's assets for the benefit of the whole community
- b) Identify and manage the risk of conflicts of interest, loss, waste, bribery, theft or fraud
- c) Ensure financial reporting is robust and sufficiently detailed to enable sound decision making when applying funds

2. Financial Year

- 2.1 The financial year runs from 1st August to 31st July

3. Conflicts of Interest

- 3.1 Conflicts of interest can impact on the quality of decision making. All committee members have a responsibility to declare that they have an interest in an item on the agenda or one that is raised during a committee meeting.
- 3.2 To avoid any conflicts of interest, the Treasurer shall not have a financial role within any other Village organisation. In the event that we are unable to find a Treasurer that meets these criteria then the Treasurer must declare any interests in any other local organisations at every meeting.

4. Role of the Treasurer

- 4.1 The Treasurer is the guardian of the Committee assets and is responsible for:
- the day to day management of Messingham Village Hall financial affairs
 - maintaining adequate and effective financial controls
 - providing reports on financial performance for the Committee at every committee meeting
 - carrying out a monthly reconciliation of the bank statements
 - organising the annual independent financial audit
 - collecting and banking income
 - invoicing regular hall users monthly
 - invoicing other hirers on an adhoc basis
 - paying suppliers, employees and all invoices in relation to the village hall
 - ensuring the annual accounts are completed as soon as is practical after the end of the financial year and before the AGM in September
 - lodging a copy of the accounts, together with an up to date list of Trustees, with the Charities Commission
 - organising suitable insurance cover
 - ensuring the committee is fully informed of the impact financial decisions make to Village Hall Finances

- providing information and support for grant and fund raising applications including preparing Parish Council pre-cept applications.
- ensuring the bank can be accessed by at least 3 current committee members at all times and all trustees are listed with the bank.

5. Accounting Records and Audit

- 5.1 As allowed by the Charities Commission, the Committee will use the “receipts and payments” method of accounting. A record of all receipts and payments will be maintained by the Treasurer and reported monthly to the Committee.
- 5.2 No payments will be made in cash by the Treasurer
- 5.3 Payments can only be made on submission of an invoice
- 5.4 Two signatures are required for the payment of any invoice
- 5.5 The independent auditor will be appointed by the Treasurer and the appointment confirmed by the committee and minuted accordingly.
- 5.6 The financial records will be examined annually and the results of the examination made available to all Committee members and presented at the AGM
- 5.7 Audited accounts will be provided to the Charities Commission by 31st May every year.

6. The Annual Budget and Financial Performance Reporting

- 6.1 The Treasurer will recommend amended charges at the AGM every year for discussion and decision by the Committee
- 6.2 Finance will have a separate item on the agenda of each Committee meeting
- 6.3 The Treasurer will prepare a report for each meeting showing income, expenditure and account balance. This will be circulated to all Committee members prior to the meeting to ensure any discrepancies can be discussed at the meeting. Should the treasurer not be able to attend the meeting, a substitute will be appointed to represent at the meeting.
- 6.4 Details of the bank balance must also be reported, and minuted, at each meeting.

7. Bank Accounts

- 7.1 Opening and closing bank accounts requires the minuted approval of the Committee.
- 7.2 Bank accounts will be reconciled monthly and any discrepancies brought to the attention of the Committee at the next meeting.
- 7.3 Bank statements for the last 3 months will be brought to the Committee meeting and be available for scrutiny. Any Committee member may request a copy of a bank statement at any time. These must be provided within 7 days of the request. Any signatory on the bank can provide these statements, it does not have to be the treasurer.
- 7.4 Two signatories are required for every cheque or invoice payment.
- 7.5 Committee members with access to the Village Hall bank accounts must ensure that these are never disclosed to persons unknown, or by email, or in response to unsolicited telephone calls or emails.
- 7.6 PIN numbers, user IDs and passwords issued in conjunction with Village Hall bank accounts must be kept confidential.

8. Authority to Incur Expenditure

- 8.1 Contract expenditure
All contracts need full Village Hall Committee approval. The Treasurer is authorised to settle bills in accordance with approved contracts.

8.2 Single item expenditure

The below pre-authorisation table sets out the way in which payments can be approved.

Pre-authorisation table			
Detail	Limit	Authority	Over limit
Urgent repairs to items affecting health and safety e.g emergency plumber, electrician etc	£1000	Chair and Treasurer and a committee member (via written agreement e.g e-mail)	Committee – does not need to be at a committee meeting and quotation regulations do not apply
Consumables e.g stationary items, postage etc	£100	Treasurer or Chair or Bank signatory	Committee - at next meeting
PPE items for Covid Security	£100	Treasurer or Chair	Committee - does not need to be at a committee meeting and quotation regulations do not apply
Necessary items to support maintenance of the building and equipment e.g hygiene hub purchases such as cleaning equipment, toilet roles etc	£100	Treasurer or Caretaker or Allocated bank signatory	Committee - at next meeting

9. Major & Capital Works

9.1 For any works that require a committee decision as they fall outside of the preauthorisation table, the below table must be adhered to.

Quotes table	
Value of works	Quotes required
Under £2000	2
Over £2000	3

9.2 Quotes must be obtained and circulated at least a week in advance of the meeting, at which the final decision is made to give all Committee members time to investigate and reflect on the expenditure and come to the meeting ready to make an informed decision. If it is not possible to arrange 3 quotes, 2 must be brought and a decision will be made to either continue to obtain further quotes or use submitted quotes.

9.3 The decision will be taken based on best value for money and need not necessarily be the cheapest.

9.4 The decision of the Committee, based on its normal majority vote of those present, will be final and minuted as such.

10. Cash/Cheque Handling

10.1 Cash and cheques should be held in a locked cash box in a secure location.

10.2 Cheques and cash must be banked regularly and promptly. Any outstanding banking in excess of £200 should be reported at the Committee meeting.

10.3 Cheque books must be kept securely.

10.4 It is forbidden to sign blank cheques or to post-date cheques.

10.5 Cash shall be accepted as payment only in circumstances where it cannot be avoided. Where cash is accepted a receipt must always be given.

10.6 No payments will be made by cash, all cash will be banked.

11. Reserves

11.1 Trustees have a duty to apply the charity's income for the benefit of its beneficiaries. This means that income generated should be spent for the furtherance of the charity and not accrued or invested.

12. Risk Management

12.1 It is important that we have a high level of public trust and confidence in our work as the future of the Village Hall depends on the support from local people and on volunteers from the community.

12.2 Any instances where it is suspected that the charity is a victim of financial crime will always be reported to the police and to the Charity Commission following an initial investigation by more than one member of the Committee.

13. Donations

13.1 The Committee are aware of the growing trend for "tainted" charity donations and will refuse or return any donations where they feel this may be a risk.

14. Data Protection and Data Monitoring

14.1 Any paper copy records of the charity's business should be stored appropriately and all archives must be stored in the Village Hall.

14.2 Financial information must be kept for a minimum of 7 years.

15. Insurance

15.1 The Treasurer is responsible for organising suitable insurance cover for the assets including any public liability insurance.

15.2 Copies of insurance certificates will be displayed at the Village Hall.

15.3 The Treasurer will negotiate insurance claims on the Committee's behalf.

16 Asset Register

16.1 An up to date asset register must be maintained to ensure all assets are accounted for.

17. Review

17.1 These financial standing orders will be reviewed annually at the AGM.

Approval

To be approved by the committee and reviewed annually thereafter.

Approved at meeting on 21st April 2021

Review due April 2022