



# Old Mill Foundation

HOLISTIC CANCER SUPPORT CENTRE

Registered charity No. 1125120 Tel: 01792 851553

## Financial Policy

### Contents

Section number	Heading	Page number
1	Purpose	1 & 2
2	Banking	2
3	Receipts (income)	3
4	Receipts (expenditure)	3
5	Payment documentation	3 & 4
6	Cheque signatures and cash cards	4
7	Other undertakings	4
8	Associated Policies	4
9	Policy changes	4
10	Policy Dates	5

### 1.Purpose

**1.The policy sets out the broad principles for financial procedures for the Old Mill Foundation. It is in relevance to all within the organisation, including volunteers, staff members, and those elected or appointed to positions of responsibility.**

**This policy is endorsed by the Trustees of The Old Mill and will be reviewed every two years to ensure that it remains appropriate to the needs of The Old Mill Foundation**

1.1 Financial records will be kept so that the Old Mill Foundation can:  
Meet its legal and other obligations, e.g. Charities Act 1992, Inland Revenue, Customs & Excise and common law.

Enable the trustees to be in proper financial control of the charity.

Enable the Old Mill Foundation to meet the contractual obligations and requirements of funders.

1.2 The charity will keep proper books of accounts (mainly electronic), which will include:

various spreadsheets analysing all the transactions in the charity's bank account(s).

The Old Mill Foundation daily diaries will be used to record petty cash when cash payments are being made.

Inland Revenue deduction cards P11 for employees and Schedule D numbers for freelance workers.

1.3 The financial year will end on 30 April each year.

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

1.5 A report comparing actual income and expenditure will be presented to the Trustees monthly and an Annual Summary at the Annual General Meeting.

## **2. Banking**

2.1 The charity will bank with the Co-Operative Bank at any Post Office. The account will be held in the name of the Old Mill Foundation in a "Community Direct Plus" account.

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

2.3 Debit card, cheques and Internet transactions up to the value of £250 will require only one authorisation, either by the CEO or Chair of the Trustees. Any transaction above £250 will require authorisation from both the CEO and Chair of the Trustees. The bank statement will be signed afterwards by the charity's two cheque signatories (the CEO and the Chair of the Trustees), or 2 Trustees as appropriate.

2.4 Cash withdrawals from a bank or bank machine will **never** be made.

2.5 The charity will require the bank to provide statements every month and these will be reconciled with the cash book monthly. The bank statements will be signed by 2 Trustees.

2.6 The charity will not use any other bank or financial institution or use overdraft facilities or loan without the agreement of the Trustees.

### **3. Receipts (income)**

3.1 All cash and cheques received will be recorded promptly in the Old Mill Foundation daily diaries or relevant spreadsheet and held in the safe until banked. The cash & cheques banked will be recorded in the Co-Operative bank paying-in book.

### **4. Payments (expenditure)**

4.1 The Financial Administrator will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept under lock and key.

4.2 The relevant payee's name will always be inserted on the cheque before signature and the cheque stub will always be properly completed.

4.3 No cheques should be signed without original documentation (see below).

### **5. Payment documentation**

5.1 Every payment out of the Old Mill Foundation's bank account will be evidenced by an original invoice. That original invoice will be retained by the Old Mill Foundation and filed. The cheque signatory should ensure that it is referenced with the cheque number and the date.

5.2 The only exceptions to cheques not being supported by an original invoice would be for such items as advanced booking fees for a future course, deposit for a venue, VAT, etc. Here a cheque requisition form will be used and a photocopy of the cheque kept.

5.3 Wages and Salaries. There will be clear records to show the authority and reason for **every** such payment; e.g. a cheque requisition, asking for payment to an employee, the Inland Revenue, etc. All employees will be paid within the PAYE, National Insurance regulations.

5.4 All staff appointments/departures will be authorised by the Trustees, minuting the dates and salary level. Similarly, all changes in hours and variable payments such as overtime, etc, will be authorised by CEO/Chair of Trustees if CEO is not available.

5.5 Expenses / allowances. The charity will, if asked, reimburse expenditure paid for personally by staff and volunteers, providing:  
Fares are evidenced by tickets.

Other expenditure is evidenced by original receipts.

Car mileage is based on Inland Revenue approved rates.

No cheque signatory signs for the payment of expenses to themselves.

## 6. Cheque signatures and cash cards

6.1 Each cheque will be signed by at least two people.

6.2 A cheque must not be signed by the person to whom it is payable. Cash Cards cannot be used to make a payment to the individual using the Cash Card and similarly, petty cash re-imbusement must not be released by the person who is making the claim.

## 7. Other undertakings

7.1 The charity does not accept liability for any financial commitment unless properly authorised. Any orders placed or undertakings given, the financial consequences of which are likely to exceed in total £1,000, must be authorised and minuted by the Trustees. In exceptional circumstances such undertakings can be made with the Chairperson's approval who will then provide full details to the next meeting of the Trustees. (This covers such items as new service contracts, office equipment, purchase and hire).

7.2 All fundraising and grant applications undertaken on behalf of the organisation will be done in the name of the charity with the prior approval of the Trustees or in urgent situations the approval of the Chair who will provide full details to the next Trustees' meeting.

## 8. Associated Policies

Data Protection  
Equality and Diversity

**Adopted by The Old Mill Foundation Trustees**

## 9. Policy Changes

Reason for change	Section changed	Date changed	New version number

**10. Policy dates**

Trustee approval	2 <sup>nd</sup> March 2021
Review date	1 <sup>st</sup> March 2024

Signed by ... *Colin Tarry* ..... Date *25/3/21* .....

**Colin Tarry.**

**Chair of Trustees**