**1 Introduction**

**ST MATTHEWS BIG LOCAL (LEICESTER) Financial Management and Controls Policy**

1.1 Financial records will be kept so that ST MATTHEWS BIG LOCAL (LEICESTER) (SMBLL)

can:

a. Meet its legal and other obligations, e.g., Charities Acts, Inland Revenue, Customs & Excise, Companies Act, and Common Law.

b. Enable the Trustees of the St Matthews Big Local Partnership Management Committee (The Management Committee) to have control of SMBLL’s finances.

c. Enable SMBLL to meet contractual obligations and the requirements of funding bodies.

1.2 SMBLL will keep proper records of accounts, which will include:

a. A cash book analysing all the transactions in SMBLL's bank account(s).

b. A petty cash book if cash purchases are being made.

1.3 The financial year for SMBLL will end on 30th June.

1.4 Accounts will be drawn up after each financial year within three months of the end of the

year and presented to the next Annual General Meeting (AGM).

1.5 Before the start of each financial year, the Management Committee will approve a

budgeted income and expenditure account for the following year.

1.6. A document comparing actual income and expenditure with the budget will be presented to the Management Committee every three months and on a monthly basis to both the Chair and the Treasurer.

1.7. The AGM will appoint an appropriately qualified independent examiner / auditor to

examine / audit the accounts for presentation to the next AGM.

**2. Bank**

2.1 SMBLL will bank with the Co-operative Bank where the account/s will be held in the name of ST MATTHEWS BIG LOCAL (LEICESTER). All accounts opened will be agreed, approved by the Management Committee and recorded in the minutes.

2.2 The following accounts will be maintained: current, business reserve, and any other

project accounts as agreed and approved by the Management Committee.

2.3 The bank mandate (list of people who can sign cheques, hold debit cards and carry out internet banking on SMBLL's behalf) will always be approved and minuted by the Management Committee, as will all changes to it. No signatories may be related by household or kin

2.4 SMBLL will reconcile the cash book with the bank statements every month and the Treasurer will spot check that this reconciliation has been done at least twice a year, and sign the printed bank statement.

2.5 SMBLL will not use any other bank or financial institution or use overdraft facilities or invest speculatively unless authorised, approved and minuted by the Management Committee.

**3. Receipts (income)**

3.1 The aim is to demonstrate that SMBLL has received all the income to which it is entitled

and that it is all reasonably evidenced.

3.2 All monies received will be recorded promptly in the cash analysis book and banked without delay (note this includes sundry receipts such as payments for telephone calls, photocopying, etc.) SMBLL will maintain files of documentation i.e. letters from funding bodies to back this up. All cash receipts will be banked.

**4. Payments (expenditure)**

4.1 The Treasurer or other person nominated by the Management Committee will be responsible for holding the cheque book (unused and partly used cheque books), which should be kept under lock and key.

4.2 Blank cheques will **never** be signed.

4.3 Whenever possible, the same person should not be responsible for ordering, processing

and checking invoices and making payments.

4.4 The relevant payee's name will always be inscribed on the cheque before signature, the

cheque stub win always be filled in.

4.5 No cheques will be signed without original documentation.

4.6 Money will only be spent to meet conditions and requirements of the funding bodies and

in pursuance of the objectives of the constitution.

**5 Payment documentation**

5.1 The Charity Manager may authorise purchases up to £1000. Purchases between £1000 and £2000 should be authorised by either the Chairperson or Treasurer payments over £2000 must be approved and minuted by the Management Committee and each payment will be approved by a member of the Management Committee who does not carry out the transaction before actual payment which may be by debit card, cheque or internet banking

5.2 Reasonable expenses/Allowances: out of pocket expenses will be paid to volunteers, in

accordance with the Volunteer Policy

• Fares are evidenced by tickets (where possible).

• Other expenditure as appropriately evidenced by original receipts.

• Car mileage

**6. Cheque signatures, cash, cards and internet bank transactions**

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

6.2 All payments authorised by the Management Committee may be paid by debit card,

internet banking or cheque

6.3 Sundry payments of up to £1000 may be paid by debit card, such payments must not

exceed £2000 per calendar month.

**7. Other undertakings**

7.1SMBLL does not accept liability for any financial commitment unless properly authorised. Any orders placed or undertakings given which are likely to cost the SMBLL in excess of £2000 must be authorised and minuted by the trustees.

7.2 All fund raising and grant applications undertaken on behalf of the SMBLL will be done in the name of SMBLL with prior approval of the Management Committee or in urgent situations the approval of the Chair and one other member of the Management Committee, who will provide full details to the next Management Committee meeting.

7.3 A register of restricted and designated funds will be maintained.

**8. Confidentiality**

8.1 The confidentiality of employees’ financial circumstances will be respected at all times.

8.2 Committee members, volunteers (and employees) will at all times act in the best interest of SMBLL and if they experience a conflict of interest they will not divulge sensitive information.

**9. Other rules**

9.1 The Management Committee will consider the level of reserves that is prudent for SMBLL to have at its first meeting after the AGM. Consideration will be given to redundancy liabilities, lease agreements and any other significant factors that should be taken into account were SMBLL to close.

9.2. SMBLL will adhere to good practice in relation to its finances at all times, e.g. when relevant it will set up and maintain a fixed asset register stating the date of purchase, cost, serial numbers and normal location of the asset(s).

9.3. These controls will be reviewed yearly.

Signed:

Mr Lee Nicholls

Chairperson.

Date: Monday 14th January 2019

Review Date: January 2020