



MERRIOTT VILLAGE HALL FINANCIAL CONTROL POLICY

Registered charity number 1209414

Reviewed 30 April 2025

Review frequency: Annually

This policy has been adopted to safeguard the assets of Merriott Village Hall (MVH) so far as possible and to provide clear procedures for controlling its finances. They may not be exhaustive. Vigilance is needed at all times from all concerned with finance, both paid staff and Trustees, and any matters of concern should be discussed with the Treasurer or Chair, as appropriate.

Responsibility for implementing this policy

Both the Trustees and paid staff share responsibility for implementing this policy and the sound management of the MVH's assets as a whole. The Treasurer is delegated the task of reporting to the Trustees on the financial position of MVH and issues relating to this policy. All Trustees and paid staff are required to abide by these policies and procedures. Where specific responsibilities are allocated, these are stated within the policies and procedures.

These financial controls will be reviewed every year.

Authorisation of Expenditure

Unbudgeted:

- Under £100 any one Trustee
- £100 - £500 Chair or Treasurer
- £500 - £1,000 combined agreement of the Chair and Treasurer
- Over £1,000 agreement at a meeting of the Trustees.
- Commitments to **urgent unplanned** expenditure between £100 and £1,000 can be made by any two Trustees. Over that amount the permission of the Chair and Treasurer should be sought wherever possible.
- Expenditure up to £500 and in the approved budget may be authorised by any one Trustee. Over £500 should be authorised by Chair and Treasurer.
- All invoices will be marked with details of the payee, date and amount. No payment should be authorised until the signatory is satisfied, through sight of an order form, delivery note, invoice, or similar written evidence, of the validity of the payment.
- Direct debits, standing orders, e-payments and cheque payments must be authorised/signed by two Trustees. Whenever possible payments should not be authorised by the person to whom they are being made.
- Blank cheques will never be signed. The relevant payee's name will always be written on the cheque before signature; the cheque stub will always be completed.

Bank Account

- A current bank account will be administered in MVH's name at a bank chosen by the Trustees.
- The bank mandates and changes to it will always be approved and minuted by the Trustees.
- The bank will be chosen according to quality of service (including value for money in terms of interest paid, bank charges, etc.).
- A deposit account may also be administered in MVH's name in an appropriate bank, society or company. MVH will not speculate with funds in investments which carry any significant risk.
- No borrowing will be undertaken by MVH without a decision being taken at a meeting of the Trustees.

Cash

- Use of cash should be avoided whenever possible.
- A petty cash float of up to £100 may be held by the Treasurer.
- The Bookings Clerk should not accept cash, but request hirers to make bank transfers as detailed on the booking form.
- Any cash payments should be supported by a receipt or invoice.

Banking

The Treasurer must bank cash and cheque receipts promptly.

Hire charges

Hall hire charges should be reviewed annually as part of the budgeting process, at a Trustees' meeting.

Invoicing

The Treasurer will raise invoices monthly in arrears for regular hall hire as soon as possible after the end of the month in accordance with the MVH calendar and the hire agreements and send by email to the appropriate contact.

The Treasurer is responsible for ensuring that payments are made on a timely basis and adopting any credit control procedures they feel appropriate. Any invoices unpaid after three months must be reported at a Trustees' meeting.

The Treasurer should check that any forthcoming ad hoc hiring events recorded in the calendar have been paid for and a hiring agreement received.

The Treasurer must return any hire deposits to the hirer as soon as is reasonably possible after the good condition of MVH has been reported, or the hirer must be advised if otherwise.

Annual Budget

Annual estimates of income and expenditures need to be made and reported to the Trustees by the Treasurer.

The estimates shall show the estimated income and expenditure for the forthcoming year. The Trustees will approve the budget and thereby authorise the commitment of expenditure against it.

Financial reports and Audit

The Treasurer will prepare regular reports to the Trustees on MVH's financial situation and any issues requiring the Board's approval or action. These will include a cash flow forecast and detailed of actual income and expenditure compared to the budget.

An annual independent examination as required by the Charity Commission will be carried out by a qualified independent examiner appointed each year by the Trustees, in accordance with the requirements of the Charities Act.

Records

- Careful records will be kept of all income and expenditure, using a system chosen by the Treasurer.
- All payments will be recorded and cross referenced in a file containing supporting information (such as order form/letter, invoice or claims form), approved by a person authorised to do so.
- Transactions will be reconciled against bank statements at least monthly by the Treasurer.
- Transfer of funds between bank accounts can be made by any authorised signatory.
- Responsibility for the maintenance of records will rest with the Treasurer. All MVH financial records shall be treated confidentially and kept securely for six years in accordance with the Charity Act 2011.

Payroll

The Treasurer will ensure that all salaries, wages and other emoluments to employees of MVH are paid in accordance with statutory requirements and any policies adopted by MVH. Salaries due to be paid to staff will be confirmed by a

Trustee (usually the Treasurer) before payment is processed. Payments for PAYE / NI will be made to HMRC on time, together with any statutory reporting.

The Treasurer will ensure that statutory requirements in connection with automatic enrolment for pensions are met.

Reserves

The Trustees approve holding a level of reserves as follows:

- An amount sufficient to cover any unexpected essential maintenance. For this it is considered necessary to hold a minimum of £2,000 in the bank current account at all times.
- An emergency fund to cover a period of loss of income due to unexpected shut down of MVH. For this it is considered desirable to hold a further £10,000.
- Amounts allocated to future planned improvement or maintenance projects.

Insurance

The Chair will effect insurance cover at a sufficient level to cover assets and possible liabilities as directed by the Trustees.

Security

The Chair is responsible for maintaining adequate arrangements for all aspects of security within MVH.

Data Protection

The Chair will ensure that MVH complies with the Data Protection Act.