

Oxfordshire Breastfeeding Support

FINANCIAL CONTROLS POLICY

Financial Records and Accounts

1) Financial records must be kept so that:

The organisation meets its legal and other statutory obligations, such as Charity Acts, Her Majesty's Revenue & Customs and common law.

The trustees have proper financial control of the organisation.

The organisation meets the contractual obligations and requirements of funders.

2) The books of accounts must include:

A cashbook analysing all the transactions appearing on the bank accounts

A petty cash book if cash payments are being made.

3) Accounts must be drawn up at the end of each financial year within 3 months of the financial year end and presented to the next Annual General Meeting.

4) Prior to the start of each financial year, the trustees will approve a budgeted income and expenditure account for the following year.

5) A report comparing actual income and expenditure with the budget should be presented to the trustees every three months or whenever meetings take place.

6) The AGM will appoint an appropriately independent examiner to examine the accounts before presentation to the next AGM.

Banking

1) OBS will bank with the Co Operative Bank, or its successors, or any other bank that the Trustees feel is appropriate, and accounts will be held in the name of Oxfordshire Breastfeeding Support.

2) The bank mandate (list of people who can sign cheques on the organisations behalf) will always be approved and minuted by the Trustees, as will any changes to it.

3) OBS will require the bank to provide statements every month and these will be reconciled with the cash book at least every three months.

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

Income

- 1) All monies received will be recorded promptly in the cash analysis book and banked without delay. The Charity will maintain files of documentation to back up all income received

including any requirements attached to specific grant awards. All money received by BACS will be agreed, promptly, to appropriate supporting documentation. Interim financial statements will include up to date income and expenditure report on any restricted reserves held.

- 2) Cash will be counted by 2 people and banked as soon as possible. A cash collection sheet will be filled in recording the source of income and no payments will be made for expenses out of cash.
- 3) Gift Aid records will be maintained and a central listing kept for all donations given under the Gift Aid scheme. The Treasurer will be responsible for submitting an annual Gift Aid return to HMRC and following up on receipt of the claim into the charity bank account.

Payments (expenditure)

- 2) The aim is to ensure that all expenditure is on the charity's business and is properly authorised and that this can be demonstrated. The latest approved budget provides the cheque/BACS signatories with authority to spend up to the budgeted expenditure, not beyond it.
- 3) The Treasurer will be responsible for holding the cheque books (including unused and partly used cheque books) which should be kept under lock and key. Passwords and log in for BACS payments will be kept securely and never written down or disclosed to anyone.
- 4) Blank cheques will NEVER be signed.
- 5) The relevant payee's name will always be inserted on the cheque before signature and the cheque stub will always be properly completed.
- 6) No cheques should be signed or BACS payments authorised without original documentation (see below).

Payment documentation

- 1) Every payment out of the Charity's bank accounts will be evidenced by an original invoice (never against a supplier's statement or final demand). That original invoice will be retained by the Charity and filed. The cheque signatory should ensure that it is referenced with:

Cheque number

Date cheque drawn

Amount of cheque

Or with appropriate BACS details and payment reference number

- 4) Expenses will be reimbursed for volunteers and trustees to cover such out of pocket items as car parking, mileage etc. Fares should be evidenced by tickets, car mileage based on local authority scales and other expenditure evidenced by original receipts.

Cheque signatories / BACS authorisation

- 1) Each cheque or BACS payment will be authorised by at least two people, one of which must be a Trustee.

Other

1)The Charity does not accept liability for any financial commitment unless properly authorised. Any orders placed or undertakings given which are likely to cost the Charity in excess of £500 must be authorised and minuted by the Trustees.

2) 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.

3) 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 Chairperson who will provide full details to the next Trustees' meeting.

4) The Charity will adhere to good practice in relation to its finances at all times

Reserves policy

OBS will review the level of reserves held, both restricted and unrestricted, at each Trustee meeting. The Trustees consider that holding around one year's expenditure in reserve will allow the charity to plan long term funding options and ensure that service levels can be adjusted in light of funding available.

Date of policy: July 2018

Date for review: July 2020