

## Financial Management – Policy & Procedures

### 1. Financial Management

Financial management involves:

- ✓ Setting financial objectives
- ✓ Planning and acquiring funds
- ✓ Ensuring funds are being effectively managed
- ✓ Keeping accounts
- ✓ Disclosure to other interested parties external to Sustainable Warminster, such as funders
- ✓ Disclosure to members
- ✓ Safeguarding assets.

The role of the Treasurer or Chair is often crucial in discussion with key funding bodies, suppliers, commissioners of services, auditors etc. However, the Committee are collectively/jointly responsible for ensuring that the organisation's resources are properly managed and accounted for and must not assume the Treasurer and/or Chair will do everything. The following policies and procedures enable the Committee to delegate financial management to the Treasurer.

### 2. Definitions

**Committee:** The Committee of Sustainable Warminster.

**Financial Year:** Sustainable Warminster's financial year is 1<sup>st</sup> September – 31<sup>st</sup> August.

**Treasurer:** The Treasurer is the member of the Committee who leads the strategic and operational responsibility for the financial management of Sustainable Warminster.

**Authorised Person:** Authorised persons are those persons authorised by the Committee to approve payments, sign cheques etc. on its behalf.

### 3. Income Policy & Procedures

#### Purpose

To safeguard, monitor and control income including grants, donations & contributions in the form of BACS, cheques & cash.

#### Recording Payments

##### Payment received by BACS

Where payments are made directly into the bank account via the BACS payment system the Treasurer will check for such direct payments each time a bank statement is received, or on-line as circumstances require.

**Payment received by cheque or cash:**

When cheques or cash arrive, the Treasurer will ensure that cheques are properly signed and dated and are made payable to Sustainable Warminster and will record their arrival in the accounts. Any cheques and cash received should be banked the same day where possible, but at least once per week. Any cheques or cash not banked immediately must be kept in a safe place until it is banked.

**4. Purchasing Policy and Procedures****Purpose**

To ensure that all expenditure is properly authorised and provide a standardised procedure for dealing with expenditure items.

**Orders**

The value of an order/purchase should be shown along with delivery charges where appropriate in the accounts. The Treasurer should authorise general purchases. Items over £500 in value must be authorised by the Committee. Where a member of the Committee has purchased an item on behalf of Sustainable Warminster using their own money/card, they should present the receipt to the Treasurer so that the amount can be repaid from the group's funds.

**Payments by Cheque and Other Instruments (e.g.: on-Line BACS, Direct Debit)**

Where a cheque or any other form of payment is being made to an authorised person that person may not be a signatory on the cheque or other instruction for payment. The Committee allow payments to be approved by just one authorised person. Where a payment is for an amount exceeding £500 the payment must be authorised by the Committee.

On-line purchases of items for Sustainable Warminster should not include within the same order any item for the personal use of the person placing the order, to avoid any confusion.

**5. Petty Cash Policy and Procedure****Purpose**

To ensure all cash is properly handled including storage, payments and record keeping.

To establish accountability for the proper handling of cash.

**Policy**

Sustainable Warminster will avoid the maintenance of Petty Cash accounts except where absolutely necessary for practical operational reasons.

Any cash must be kept in the Petty Cash box provided which should be kept in a secure place.

All petty cash must be reconciled by the Treasurer as and when required, after any activity.

### Administration and Accounting

The amount of float held in a Petty Cash box will be clearly marked on the inside of the box and should be appropriate to the level of transactions passing through the box.

After each event, the Treasurer will record the Petty Cash income/expenditure, depositing any income/profit into the main bank account thereby maintaining a Petty Cash float not exceeding £100

## **6. The Accounting and Audit Procedure:**

### Purpose

To provide accurate and useful data for the Committee, members and Funders.

### Procedure

Sustainable Warminster's accounts will be managed electronically. A List of Assets purchased, held or disposed of will be maintained within the accounts. The Treasurer will ensure that all financial records, supporting documentation and reconciliations are accurately maintained, up to date and that the balances available/spent are shared with members at each monthly meeting. The Treasurer will prepare timely and accurate Year End Accounts.

This Policy will be reviewed biennially, or more frequently if a concern arises.