

Middlezoy Community Project (MCP) Finance Policy

1. The Trustees will manage the assets of the charity in accordance with the Middlezoy Community Project Trust Deed dated 16th April 1989.
2. The Trustees will insure the Hall property with a reputable Insurance Company on an 'All Risks' basis for its full rebuild value; the sums insured shall be reviewed at each policy renewal.
3. Financial records will be kept to ensure that the hall meets its legal and other obligations under Charity Law, Revenue and Customs and Common Law.
4. The Financial Year will end on 31st March and accounts for each financial year will be drawn up and approved by the Trustees prior to being presented to the Annual General Meeting held within 6 months.
5. Where appropriate the accounts will be independently examined by an Auditor or Examiner of accounts appointed by the Trustees.
6. The Trustees will approve an Income and Expenditure Budget prior to the start of each financial year and monitor financial performance at every meeting
7. The Trustees shall approve a Reserves Policy to determine the extent and nature of reserves designated as Restricted Funds. This will cover anticipated major renovation work based on a professional survey of the building every 5 years and a Designated Fund to cover ongoing unexpected costs not exceeding 6 months expenditure.
8. All funds will be held in accounts in the name of Middlezoy Community Project (MCP) at such banks and on such terms as the Trustees shall decide. Two Trustee signatories to be agreed by Mandate will be required for any payments.
9. The Treasurer shall present a financial report to every meeting of the Trustees: the format and content of the report to be decided by the Trustees.
10. Reconciled Bank & Cash balances to be reported at each meeting.
11. All expenditure shall be properly authorised and documented; all income shall be paid into the bank without delay.
12. The Trustees will undertake a Financial Risk Assessment of all trust activities and review it annually.
13. The Chairperson is authorised a single expenditure of up to £500.00; this expenditure must be notified to the Trustees at the next meeting, giving full details of the expenditure.

Financial Procedures

1) Financial records

The following records shall be kept up to date by the Treasurer:

- All transactions are recorded in the Middlezoy Community Project accounting system (currently Sage)
- Fixed Asset Register listing all assets, showing cost price and depreciation.
- Supplier Invoices to be held on file in Alphabetical order
- Sales Invoices to be held on file in Numeric order
- Bank Statements to be held on file in Date order.
- Financial Software bank records to be reconciled to the Bank statements monthly.
- All records will be held securely and for as long as deemed necessary by HMRC, copied onto a Flash Drive at each financial year end.

2) Payment procedure and documentation

- The Treasurer will be responsible for holding Bank Cards & Pin Authorisation under lock & key.
- Whenever possible ensure that there is a segregation of duties.
- Suppliers of Goods & Services a Credit account should be applied for and set up with arrangements made to pay by BACS monthly.
- Prior approval must be given for purchasing Goods & Services.
- Supplier Invoices & Expenses to be sent by email or by hand to the Treasurer with reference to the Trustee or volunteer who made the purchase clearly shown on the invoice/receipt.
- All Approved Supplier Invoices & Trustee or Volunteer Expenses must be entered in the Purchase Ledger within the Accounting Software; and initialled by the Treasurer.
- All payments will be evidenced by invoices or direct debit authorisation for regular utility payments etc. The Treasurer should ensure that it is referenced with the date of payment. No payment authorisation should be signed without original documentation.
- Two authorised Trustee signatories approved by recorded minutes of the committee and Bank Mandate may authorise online banking transactions. Authorisation for such payments to be recorded in the Financial Software.
- Middlezoy Community Project will reimburse legitimate expenditure paid for personally by Trustees and Volunteers on behalf of the charity, providing:
 - Expenditure is evidenced by original receipts/proof of purchase
 - Fares are evidenced by tickets and car mileage is based on HMRC scales

3) Income procedure and documentation

- Income will be paid into the bank without deduction, either in cash or by bank transfer.
- Cash is to be counted and recorded by the person collecting it and the amount confirmed by the Treasurer prior to payment into the bank in person or online.
- A cash float is kept under lock and key and issued when required for the bar.
- All cash revenues and any minor expenses are recorded in the Cash Account within the Financial Software.
- Stock taking to take place on a regular basis and at least each quarter end.
- Ratio/Margin analysis will be used to monitor the profitability of the Bar on a regular basis, we aim to achieve at least a 50% gross profit.
- Events: prenumbered tickets are sold and a list of all named attendees with unsold tickets and cash are given to the Treasurer to reconcile and bank. All Event results are reported at the next meeting.
- Hiring agreement forms showing conditions of hire, date and purpose must be signed by the hirer on making a booking. A deposit is then requested by the Treasurer and is payable to confirm the booking. A Customer account is set up in the Financial Software to record transactions.
- At each month end Sales Invoices for all hiring during preceding month will be issued. The Treasurer will then account for the income in the financial records.
- A Sales Aged Debtors report to be produced monthly with outstanding unpaid invoices chased up for payment; keeping Debtors under control/review.
- We do not accept donations of Cryptoassets

4) Policy review

This policy will be reviewed annually by the Middlezoy Community Project Trustees

MCP Finance Policy and Procedures March 2024