

Suffolk Guild of Ringers Policy on Financial Management and Accounting

As the Guild is a charity it is required to comply with all charities legislation, and the Trustees of the Guild are responsible for ensuring that this is done. Day to day control of financial management will normally be delegated to the Guild Treasurer who may or may not be one of the Trustees. Overall responsibility cannot be delegated however and the Trustees must exercise reasonable supervision over what the Treasurer does.

FINANCIAL MANAGEMENT

Clear procedures are needed to ensure that the Trustees have the tools and skills to ensure effective financial management takes place. Where volunteers are involved the individual responsibilities should be clear to avoid confusion, inconsistency & conflicts.

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

INCOME POLICY & PROCEDURES

Purpose

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

To outline the structure of authorisation for dealing with income, credit-control and cash management.

Invoices

Invoices should be issued whenever it is appropriate, and should include:

The Guild's logo.

A statement that the Guild is a registered charity, and its charity number.

The name and address of the person or organisation being invoiced.

The date of the invoice.

The nature of the services and/or goods being charged for.

The purchase order number (where available) and/or any other appropriate identification information provided by the person or organisation being invoiced.

If the invoice is to a funding body it should state the funding period to which it relates.

The invoice total, payment instruction & terms of payment

Where acceptable to the person/organisation to which it is addressed, the invoice may be sent electronically in PDF format. Otherwise the invoice shall be printed and sent by post. In either case the invoice must be despatched as soon as possible after being produced.

Outstanding Invoices

The Treasurer will regularly review the outstanding invoices.

If an invoice has not been paid within 28 days of being issued, or such later time as is reasonable in the circumstances, then a second invoice should be issued. The second invoice should be a copy of the first, but with "REMINDER" added to it.

Any invoice which remains unpaid for more than 56 days must be brought to the attention of the GMC to determine what further action should be taken. If a GMC meeting is not scheduled in the near future then the matter should be discussed with the Guild Chairman and/or other members of the Guild Executive.

Recording Payments

Payments 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.

Payments by cheque or cash

When cheques or cash arrive the Treasurer, District Treasurer or other Authorised Person will ensure that:

- a) cheques are properly signed and made payable to "The Suffolk Guild of Ringers for the Diocese of St Edmundsbury & Ipswich", or "The Suffolk Guild of Ringers" and will record their arrival in the accounts
- b) an official receipt is issued for all cash received.

Cheques and cash received should be banked as soon as reasonably possible but at least once per month. All payments into the Guild's account should be supported by either a pre-printed and referenced bank paying-in slip or an individually referenced paying-in card.

BUDGETING POLICY & CONTROLS

Purpose

To provide a means of balancing projected expenditure against projected income and ensuring resources are allocated fairly;

To provide a structure for monitoring and controlling expenditure.

To ensure that funds cash flows can be effectively and efficiently managed to ensure that there are always sufficient accessible funds available to meet The Guild's financial commitments as they arise.

Policy

The annual budget will provide the Treasurer with the authority to spend within the amounts specified under each budget heading.

The amounts budgeted for the income and expenditure, both within budget categories and overall, of The Guild cannot be exceeded, transferred or altered by a material amount without the authorisation of the GMC.

The Treasurer will ensure that the GMC is informed where any breaches of this policy may occur.

Budget Setting Process

A budget is a plan translated into money for a defined period of time. The time period is usually the financial year. The purposes of a budget are:

To set and communicate financial targets;
To maximise and allocate resources;
To identify financial problems;
To establish a system of control by having a plan against which actual results can be compared;

The Treasurer will produce for approval by the GMC a budget based on previous income & expenditure patterns and the expected actual income & expenditure for the coming financial year.

Monitoring & Revision

The Treasurer will monitor income and expenditure and ensure that the GMC receives accurate and up to date information regarding any shortfall in projected income or increase in expenditure. Where necessary, the Treasurer will make recommendations on various options for remedial action.

PURCHASING POLICY & PROCEDURES

Purpose

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

Orders - Goods and Services

The value of an order/purchase including delivery charges where appropriate and inclusive of VAT must be established.

For any purchase over £1,000 in value, at least 2 quotes must be obtained wherever possible, in order to ensure a competitive price is paid, unless the GMC explicitly waives this requirement.

Payments by Cheque and Other Instruments (e.g.: On-Line BACS, Standing Order, Direct Debit)

Payments by the Guild may only be made by the Treasurer, Secretary or Chairman as authorised signatories.

The Charity Commission guidelines recommend that all cheques and other instructions to the bank, including instructions made on-line (e.g.: for BACS payments) be signed by two authorised persons. However, where this is not practical for small payments, the Trustees may decide to allow amounts of up to £1,000 to be approved by just one person (usually the Treasurer), provided that that decision, and the justification for it, are clearly recorded in the minutes of the meeting at which the decision was made. Where a cheque or any other form of payment is being made to a signatory, another signatory must authorise the payment, whatever the amount.

PETTY CASH POLICY AND PROCEDURE

Purpose

The individual Districts of The Guild operate a Petty Cash system.

To ensure all cash held by District Officers is properly handled including storage, payments and record keeping.

To establish accountability for the proper handling of cash.

Policy

The individual Districts of the Guild may each keep a small amount of cash (not exceeding £100) to cover miscellaneous items of expense. Any excess above £100 must be returned to the Guild Treasurer.

Accurate accounts and receipts should be kept, and an annual statement submitted to the Guild Treasurer within the first 15 day of each year.

Petty cash forms part of the Guild's finances and are accounted for in the annual accounts.

ACCOUNTING AND EXAMINATION PROCEDURE

Purpose

To ensure that The Guild meets all the statutory accounting requirements

To provide accurate and useful data for the Trustees and members.

Procedure

The Guild's accounts will be managed electronically using appropriate software approved by the GMC and The Guild's appointed independent examiner.

The independent examiner is appointed by the members at the AGM, or at other times when circumstances require by the GMC;

The Treasurer will ensure that all financial records, supporting documentation and reconciliations are accurately maintained, up to date and easily retrievable for analysis and examination purposes;

The Treasurer will prepare timely and accurate year-end accounts in the appropriate format with the required supporting working papers and relevant reconciliations.

The Treasurer will liaise with the independent examiner to ensure that any examination queries are resolved and that accounts are completed and signed within three months of the year end.

The Treasurer will ensure that the Charity Commission is provided with any statutory information within the specified timescale.

Last amended	
Review date	