**Kingston Village Hall - Financial Policy**

1. The Trustees will manage the assets of the charity in accordance with the Kingston Village Hall’s Charitable Incorporated Organisation status*.*
2. The Trustees will insure the Trust 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 Kingston Village Hall meets its legal and other obligations under Charity Law, Revenue and Customs and common law.
4. The financial year will end on *31st December* 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 in February*.*
5. The accounts will be independently examined by an auditor or examiner of accounts appointed by the AGM.
6. The Trustees will discuss 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 and determine the extent and nature of reserves designated as Restricted Funds.
8. All funds will be held in accounts in the name of Kingston Village Hall Management Committee at such banks and on such terms as the Trustees shall decide. All cheques and transfer documents shall require the signatures of two Trustees authorised by minute of a Committee Meeting.
9. Online banking is viewed by the Trustees as being a convenient and low-cost way to bank. It is however presently not possible to have two counter-signatories for accessing online banking, only one person can be set to use online banking at this time and at present a transaction limit cannot be set online. The control risk this entails has been assessed and considered reasonable considering the cost/convenience benefit to the Trust as it is not possible to go overdrawn online. The following online banking rules are to be adhered to:
   1. Online banking is to be used for balance checking and general administration such as ordering new statements only. In general, payments are not to be made via online banking, but must be done via cheque only (to ensure appropriate countersigning). Before an online payment is considered (and it is conceivable that in the future some companies may stop taking cheques), approval must be sought and received from the Committee.
   2. It is likely that transaction rules for online banking can in the future be more closely monitored, in this eventuality the online banking rule noted above may be reviewed.
10. The Treasurer shall present a financial report to every AGM: the format and content of the report to be decided by the Trustees.
11. All expenditure shall be properly authorised and documented; all income shall be paid into the bank without delay.

**Financial Procedures**

1. **Financial Records**

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

* 1. A spreadsheet analysing all the transactions in the bank account(s).
  2. A petty cash book or other receipted record, if cash payments are being made.

1. **Payment Procedure**

The Treasurer will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept under lock and key.

* 1. Blank cheques will NEVER be signed.
  2. The relevant payee’s name will always be inserted on the cheque before signature and the cheque stub will always be properly completed.
  3. No cheques should be signed without original documentation (see below)

1. **Income Procedure**
   1. All income will be paid into the bank without deduction.
   2. Most transactions at social events will be by card payments.
   3. Cash is to be counted by the person collecting it and placed in a bag with a pay-in slip showing source, date, amount and signature of collector; the cash to be handed to the treasurer who should count the cash in the presence of the collector (or other person if collector not present) and confirm the amount, if requested. A receipt will be given if requested.
   4. Hiring agreement forms showing conditions of hire, date, purpose of hire, the rate per hour and total due must be signed by the hirer on booking. An invoice will be given to the hirer with copy to treasurer who will collect the outstanding balance and account for the income.
2. **Payment Documentation**
   1. Every payment out of the bank accounts will be evidenced by an original invoice. The cheque signatory should ensure that it is referenced with Cheque number; Date cheque drawn; Amount of cheque; Who signed the cheque.
   2. The only exceptions to cheques not being supported by an original invoice would be for such items as advanced booking fees for a future course, deposit for a venue, VAT, etc. Here an equivalent record should be shown.
3. **Petty cash** will be maintained by the Treasurer who will issue a documented float, as required, for social events. The person receiving the float will return it to the Treasurer with a statement of income.
4. **Expenses/allowances**. Kingston Village Hall will, if asked, reimburse expenditure paid for personally by individuals on behalf of the charity, providing: fares are evidenced by tickets, other expenditure is evidenced by original receipts, car mileage is based on local authority scales and no cheque signatory signs for the payment of expenses to themselves.
5. *At present KVHMC has no employees and due to its small size it is the current wish of the Trustees not to have any employees in the future, however the following financial procedures have been set to cover any possible future eventuality:*
   1. Wages. There will be a clear trail to show the authority and reason for EVERY such payment; e.g. a cheque requisition, asking for payment to an employee, the Inland Revenue, etc. All employees will be paid within the PAYE, National Insurance regulations.
   2. All staff appointments/departures will be authorised by the Trustees, minuting the dates and salary level. Similarly, all changes in hours and variable payments such as overtime, etc, will be authorised by the Trustees.

This policy will be reviewed every three years.

Two Trustees to sign

Patricia Draper

Paul Wright

Dated: 01/03/2024