

Addison Group of Singers

Financial Controls Policy

Financial Records and Reports

- 1) Financial records must be kept so that:
 - the Addison Group of Singers ('the AGS') meets its legal and other statutory obligations, such as the Charity Acts, HM Revenue & Customs and common law.
 - the Trustees have proper financial control of the AGS.
 - the AGS meets the contractual obligations and requirements of funders.
- 2) The ledgers and books of account must include a cashbook or electronic ledger analysing in detail all the cash and other transactions appearing on the bank accounts.
- 3) At each AGM an appropriately qualified Auditor or Independent Examiner will be appointed to audit or examine the accounts before presentation to the next AGM.
- 4) Accounts must be drawn up within one month of the financial year end and certified by the Independent Examiner for presentation to the next AGM.
- 5) Prior to each Concert the Trustees will approve a detailed income and expenditure budget for it containing a comparison with the prior year's actual.
- 6) An interim account comparing actual income and expenditure for the financial year to date with the prior year's actuals must be presented to the Trustees at each Board Meeting.

Banking

- 7) The AGS will maintain the following accounts in its name with CAF Bank Ltd:
 - A Current (chequing) Account with a Business Debit Card.
 - One or more interest-bearing Deposit Accounts.
- 8) The Bank Mandate (the list of people who can sign cheques or make online payments on behalf of the AGS) must be approved and minuted by the Trustees together with any changes to it, and retained by the Treasurer.

- 9) The AGS will require the bank to provide regular statements of account which will be reconciled with the cashbook/electronic ledger at least at the same intervals.
- 10) The AGS will not use any other bank or financial institution, or use any overdraft or loan facilities, without the specific agreement of the Trustees which must be minuted.

Income

- 11) All monies received will be banked without delay and recorded promptly in the appropriate ledger, with supporting documentation retained by the Treasurer and made available to the Auditor/Independent Examiner.

Purchase Orders, Authorisation and Payment

- 12) All expenditure on the AGS's business must be properly authorised by the use of Purchase Orders ("POs"). The list of all those authorised to raise POs for expenditure will be approved by the Trustees and minuted.
- 13) Each person raising POs will keep their own list of sequential PO numbers as advised by the Treasurer, who will maintain in the ledgers the list of PO numbers issued and to whom.
- 14) The PO number must be given to the Supplier for quoting on their invoice.
- 15) No Trustee may authorise payment to themselves, their partner or relatives without the consent of the Trustees.
- 16) Invoices should be checked against the relevant PO before payment authorisation is sought. All goods received must be signed for and checked for completeness before payment.
- 17) Before any cheque or Internet payment is made, the supporting invoice and PO shall be circulated by the Treasurer to the Originator to check for accuracy in terms of figures and conformity with the order placed and that the services or goods have been received. Once authorised the Treasurer will circulate the related PO and Invoice to all Trustees for Payment Approval. The Treasurer and another Trustee must approve payment unless the expenditure is under £100. The Payment request is then circulated to authorised bank signatories for payment processing (see Invoice Payment Process).
- 18) Once payment has been made the invoice or PO should be marked "Paid", together with the date of internet payment or cheque number and date. Every payment will be evidenced by an original PO or invoice (never against a supplier's statement or final demand) which will be retained by the

Treasurer and made available to the Auditor/Independent Examiner.

- 19) The Treasurer is responsible for holding the cheque books (including unused and partly used cheque books) which should be kept securely.
- 20) All staff appointments and departures will be authorised by the Trustees, minuting the dates and salary level.
- 21) Expenses. The AGS will reimburse expenditure paid for personally by volunteers and contracted staff if supported by a PO with original receipts or tickets. Car mileage will be based on HMRC current rate scales.

General

- 22) The AGS will not accept liability for any financial commitment unless properly authorised by a PO approved by at least two Trustees. In urgent or exceptional circumstances the Chair may approve such authorisation and then provide full details by email to the Trustees.
- 23) All fundraising and grant applications undertaken on behalf of the AGS will be done in the AGS name with the prior approval of the Trustees, or in urgent situations with the approval of the Chair who will provide full details by email to the Trustees.
- 24) Where relevant the AGS will set up and maintain a fixed asset register stating the date of purchase, the cost, any serial numbers and the normal location of the asset. The AGS will also maintain a record of any items of significant value, with similar details and an appropriate record of their use.
- 25) The AGS will at all times adhere to good practice in relation to its finances/reserves and be aware of the Charity Commission guidance on such matters. Charity Commission guidance on Finance/Reserves Policies can be found at <https://www.gov.uk/guidance/charity-financial-reserves>

Review

- 26) This policy has been approved by the Trustees. It will be reviewed yearly.

AGS Invoice Payment Process

