

Financial Procedures Policy (incl. Reserves Policy)

Gateway into the Community is a registered charity which supports people in West Northumberland who have a learning disability to access leisure and learning opportunities within their own communities.

In accord with the Charity Commission, financial procedures are in place to ensure correct monitoring and recording of all financial transactions.

The Trustees are responsible for the finances and have appointed one of their number as Treasurer.

Day-to-day administration is undertaken by the Administrator and Assistant Administrator, whose responsibilities include:

- Banking of incoming cheques
- Raising invoices receivable
- Checking all incoming invoices payable and preparing payments (by cheque, standing order, direct debit or internet banking) for signature or authorisation.
- Computerised records of all transactions
- Filing of documents relating to receipts and payments
- Monthly bank reconciliations
- Preparation of financial reports for Trustees
- Monitoring of petty cash
- Payroll processing

Payments

Payment for goods or services provided to Gateway into the Community is to be authorised by the Chief Executive but in the case of all invoices payable (other than those of an exceptional nature or amount), this authorisation may be delegated to the Administrator.

A record of checking and authorisation to pay will be made on the invoice, which will subsequently be marked "Paid", together with the cheque number or internet banking confirmation code and the date on which payment has been made.

Receipts

Invoices receivable should be issued whenever it is appropriate and where acceptable to the person/organisation to which it is addressed, the invoice may be sent electronically in PDF format. Otherwise, the invoice will be printed and sent by post.

Any invoice which remains unpaid for more than 60 days will be brought to the attention of the Management Committee.

Payroll processing

Staff salaries are paid by bank transfer on the 15th of the month or nearest prior day where this falls on a Saturday, Sunday or Bank Holiday. Sessional staff are paid following the month end, on the 15th of the next month by bank transfer, after completion of a signed timesheet.

The Administrator will calculate net pay and produce accurate payslips using appropriate payroll software. She is responsible for Real Time Information reports to HMRC, Year End Returns and the payment of liabilities under PAYE and the workplace pension scheme (provider The People's Pension).

Staff and volunteers' expenses claims are to be authorised by the Chief Executive and her own by the Treasurer but in the case of all claims, other than the first by a new employee or volunteer, checking and authorisation may be delegated to the Administrator. Staff and volunteers authorised to use their own vehicles for the purposes of the Charity may receive a mileage allowance at rates to be determined by the Trustees. When expenses are authorised the claim forms will be countersigned and dated. Reimbursements will be due at that date and will be paid primarily by bank transfer.

Banking Details

- a) Main account: Unity Trust Bank Custom account
- b) Reserve account: Unity Trust Bank Reserve account

Authorised signatories to the accounts will be appointed by the Trustees. All cheques, direct debits or standing orders must be signed by two signatories.

There are no overdraft facilities.

Internet banking facilities are used, all transactions being subject to dual authorisation, with one of the authorisers being either the Chief Executive or the Chair.

Credit Card

A credit card is held by Gateway into the Community and expenditure (excluding cash withdrawals) up to a limit of £2,000 has been approved by the Trustees. All balances are cleared in full monthly by direct debit.

Petty Cash

Petty cash is withdrawn as necessary. All use of petty cash is signed for, details are computerised and vouchers and receipts are filed.

Group fees are recorded on sessional sheets by the member of staff responsible for the group and the sheet is signed and dated by the Administrator or Assistant Administrator who transfers the cash to the group fees tin.

All cash must be kept in the petty cash and group fees tins, which are held in the locked safe and reconciled monthly. Total cash on the premises should not exceed £1,000.

Insurance

Appropriate insurance policies will be maintained to cover:

- Employer's Liability
- Public & Products Liability
- Contents

Budget

An annual budget is set at the start of the financial year and agreed by the Trustees at the soonest meeting.

Financial reports

Financial reports are made by the Treasurer to the Trustees at their meetings in the form approved by the Trustees.

Financial Year and Annual Review of Accounts

The financial year runs from 01 May to 30 April. The accounts for the financial year are reviewed by an appropriately qualified Independent Examiner and presented at the AGM.

The Chief Executive and Administrator will meet with the Examiner to ensure that all queries are resolved and the examined accounts are filed with the Charity Commission within 10 months of the year end.

Fundraising

Fundraising is carried out by the Chief Executive, Staff and Trustees under the guidance of the Trustees.

Monitoring of grant expenditure is carried out by the Chief Executive, who is responsible for preparing reports to funders.

Reserves Policy

Trustees have determined that an appropriate level of free unrestricted reserves should be equivalent to not less than 3 months operating costs plus a sum for exit costs. Reserves will be maintained and carried forward for future activities as identified by the Trustees. The reserves policy will be reviewed annually to see that it still meets the needs of the Charity.

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