



Financial Procedures & Reserves

Internal Controls

Trustees have a legal duty to safeguard the assets of the Organisation and make sure that the assets are used to achieve the organisation's objectives.

Principal areas covered by internal controls.

Budgets

The budget should be set at the beginning of each financial year by the treasurer & presented to the other Trustees for approval. Reports of variance of income and expenditure against the budget are presented at quarterly intervals to the Trustees. A profit & loss balance sheet for the relevant time is presented at every Trustee meeting.

Bank Mandate

The bank mandate requires that two of the designated members be required to sign any cheque or make any payment, whatever the value. This mandate cannot be altered without a new mandate being issued agreed by the Trustee group.

Authorisation of Expenditure

The treasurer is responsible for the authorisation of any expenditure.

Any items of expenditure over £500 not including salaries, NI or tax payments, should be agreed by the Trustees before committed to by the NFRP lead.

Cash Income

In the rare event that the partnership receives any cash income it will be counted, banked & recorded by the treasurer.

Audits & Independent examination

The Trustees should agree on the examiner to be used to audit the Partnership's accounts. All financial records should be submitted to them within six – eight months of the end of the previous financial year.

Audited accountants should be submitted to the Charity Commission after they have been presented & verified at a Trustee meeting. They will also be presented at AGM meetings.

Reserves policy

The Trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be two months of the total resources expended (£8,500 based on these financial statements). At this level, the board feel that they would be able to continue the current activities of the charity in the event of a significant drop in income. The Trustees are committed to working towards achieving this.

Records

All financial records should be kept in an orderly way.

Insurance

Insurances are renewed annually. The responsibility is the Treasurer.

Bank Reconciliation:

Treasurer shall reconcile the bank account at least every quarter.

Financial Reporting

Treasurers shall provide a brief financial summary to Trustees at least every quarter.

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