



# Financial Policy

## 1. Introduction

1.1. Financial records will be kept so that JUBACANA can:

- 1.1.1. meet any legal and other obligations, e.g., Charities Acts, HMRC, Customs & Excise, Companies Act, and Common Law. In the case of JUBACANA, reporting requirements stipulated by public funders.
- 1.1.2. enable the Committee to have control of the organisation's finances.
- 1.1.3. enable the organisation to meet contractual obligations and the requirements of funding bodies.

1.2. The organisation will keep proper records of account, which will include:

- 1.2.1. Annual income and expenditure document
- 1.2.2. A petty cash book if cash purchases are being made.

1.3. The financial year for JUBACANA will run from (1st August to 31st July)

1.4. Accounts will be drawn up after each financial year within three months of the end of the year and presented at the next board meeting following completion.

1.5. Before the start of each financial year, the board will approve a budgeted income and expenditure account for the following year.

1.6. A paper comparing actual income and expenditure with the budget will be presented to board on a quarterly basis (and will be overseen by the finance committee on a monthly basis.)

## 2. Bank

2.1. JUBACANA will bank with the NatWest plc where the accounts will be held in the name of JUBACANA.

2.2. The bank mandate (list of people who can sign cheques on the organisation's behalf) will always be approved and minuted by the board; as will all changes to it.

2.3. JUBACANA will require the bank to provide statements every month and these will be reconciled every month. Furthermore the Finance Committee/Board will spot check that this reconciliation has been done at least twice a year, and a record of this check will be retained.

2.4. JUBACANA will not use any other bank or financial institution or use any overdraft facilities unless authorised, approved and minuted by the board.

### **3. Receipts (income)**

- 3.1. The aim is to demonstrate that JUBACANA has received all the income to which it is entitled and that it is all reasonably evidenced.
- 3.2. All monies received will be recorded promptly and banked without delay (note this includes sundry receipts such as payments for telephone calls, photocopying, etc.) The organisation will maintain files of documentation i.e. letters from funding bodies to back this up.

### **4. Payments (expenditure)**

- 4.1. The Treasurer will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept under lock and key.
- 4.2. Blank cheques will **never** be signed.
- 4.3. Whenever possible, the same person should not be responsible for ordering, processing and checking invoices as well as raising cheque requisitions, signing cheques and payments.
- 4.4. Cheques greater than the value of £100 will require the approval of the finance sub-committee/Board. Signatories to cheques which are greater than £100 must be different to those requesting purchase of items.
- 4.5. The relevant payee's name will always be inscribed on the cheque before signature; the cheque stub will always be completed.
- 4.6. No cheques will be signed without original documentation.
- 4.7. Cheques will not be signed by the person to whom it is payable.
- 4.8. Money will only be spent to meet conditions and requirements of the funding bodies and in pursuance of the objectives of the constitution.

### **5. Payment documentation**

- 5.1. Every payment out of the organisation's bank accounts will be supported by an original invoice (never against a supplier's statement or final demand). That original will be filed and kept for seven years. The person who signs the cheque should ensure that the cheque requisition slip is fully completed. This includes the following:
  - 5.1.1. cheque number
  - 5.1.2. date cheque drawn
  - 5.1.3. amount of cheque
  - 5.1.4. who signed the cheque.
- 5.2. 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, VAT, etc. Here a cheque requisition form will be used and a photocopy of the cheque kept.

- 5.3. Payments for services: There will be a clear trail to show the authority and reason for payment. Every payment will require an invoice from freelance staff making a claim. All employees will be responsible for paying their own tax via self-assessment tax returns.
- 5.4. All staff appointments will be authorised by the Board, minuting the dates and salary level. Similarly, all changes in hours and other payments such as overtime. etc., will be, authorised by the Board.
- 5.5. Petty cash will always be maintained whereby the Treasurer is trusted with a float as agreed by the board (in the case of JUBACANA, a maximum of £120). The expenditure will be analysed in the petty cash book where any receipts will also be kept. When a total of £120 is exceeded in cash, a payment for £100 will be made into the bank with 'SUBS' as a reference.
- 5.6. Expenses/Allowances: JUBACANA will, if asked, reimburse expenditure paid for personally by staff, in line with our expenses policy, providing:
  - 5.6.1.fares are evidenced by tickets (where possible).
  - 5.6.2.other expenditure is evidenced by original receipts.
  - 5.6.3.car mileage is based on JUBACANA agreed scales.

## **6. Cheque signatures and cash cards**

- 6.1. Each cheque will be signed by at least two people.
- 6.2. Hole in the wall type cash cards will not be used and if issued by the bank will be immediately cut in half.

## **7. Other undertakings**

- 7.1. JUBACANA does not accept liability for any financial commitment unless properly authorised. Any orders placed or undertakings given, likely to exceed in total £100 must be authorised and minuted by the management committee. (This covers such items as the new service contracts, office equipment purchase and hire).
- 7.2. All fund raising and grant applications undertaken on behalf of JUBACANA will be done in the name of the organisation with prior approval of the board or in urgent situations the approval of the Chair, who will provide full details to the next management committee.

## **8. Confidentiality**

- 8.1. The confidentiality of employees' financial circumstances will be respected at all times.
- 8.2. Committee members, volunteers and employees will at all times act in the best interest of the organisation and if they experience a conflict of interest they will not divulge sensitive information.

## **9. Other rules**

- 9.1. The board will consider the level of reserves that is prudent for JUBACANA to have at its first meeting after the end of the financial year. Consideration will be given to redundancy liabilities, lease agreements and any other significant factors that should be taken into account were JUBACANA to close.

9.2. JUBACANA will adhere to good practice in relation to its finances at all times, e.g. when relevant it will set up and maintain a fixed asset register stating the date of purchase, cost, serial numbers and normal location of the asset(s). If it holds stocks of goods e.g. books etc., of significant value, it will maintain proper records.

9.3. These controls will be reviewed at the first Board meeting of each new financial year.

Agreed by the Management Committee

Signed: HOLLY PREST



Date: 01.09.18

Date implemented	Future review dates						
	2017	2018	2019	2020	2021	2022	2023
Date reviewed	22.08.17	1st Sept	1st Sept	1st Sept	1st Sept	1st Sept	1st Sept
Date approved by trustees	28.08.17	1 <sup>st</sup> Sept 2018					