

FINANCIAL CONTROLS POLICY – PADDLERS FOR LIFE (WINDERMERE)

Charity Commission Guidance - Internal financial controls for charities

Review of controls - The trustees should, at least annually, ensure a review is conducted of the effectiveness of the charity's internal financial controls. This should include an assessment of whether the controls are relevant to, and appropriate for, the charity and not too onerous or disproportionate.

Financial Records and Accounts

- 1) Financial records must be kept so that:
 - The organisation meets its legal and other statutory obligations, such as Charity Acts, Her Majesty's Revenue & Customs and common law.
 - The Trustees have proper financial control of the organisation.
- 2) The books of accounts must include a cashbook analysing all the transactions.
- 3) Accounts must be drawn up at the end of each financial year and presented and approved at the next Annual General Meeting.
- 4) The Trustees will appoint an appropriately qualified auditor/independent examiner to audit or examine the accounts.

Banking

- 1) The bank mandate (list of people who can sign cheques on the organisation's behalf) will always be approved and minuted by the Trustees as will any changes to it.
- 2) The charity will require the bank to provide statements every month and these will be reconciled with the cash book at least every three months.

Income

All monies received will be recorded promptly in the cashbook and banked without delay. The Charity will maintain files of documentation to back this up.

Payments (expenditure)

- 1) The aim is to ensure that all expenditure is on the charity's business and is properly authorised and that this can be demonstrated.
- 2) The Treasurer will be responsible for holding the cheque books (including unused and partly used cheque books) which should be kept under lock and key.
- 3) The relevant payee's name will always be inserted on the cheque before signature and the cheque stub will always be properly completed.
- 4) Each cheque will be signed by at least two people, at least one of whom will be a Trustee.

Payment documentation

Every payment out of the Charity's bank accounts will be evidenced by an original invoice or receipt. The original invoice/receipt will be retained by the Charity and filed. The cheque signatory should ensure that it is referenced with:

- Cheque number
- Date cheque drawn
- Amount of cheque

Asset Register

The Charity 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 assets.