

## **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.

**Specific requirements to CIOs** – Accounts may be prepared on a receipts and payments basis if the gross income is less than £250000. An independent examination is required if the gross income is more than £25000 in the financial year. All CIOs must complete an annual return within 10 months of the financial year end.

### **Financial Records and Accounts**

Financial records must be kept so that:

1. The organisation meets its legal and other statutory obligations, such as Charity Acts, His Majesty's Revenue & Customs and common law.
2. The Trustees have proper financial control of the organisation.
3. The accounts spreadsheets must include a cashbook analysis of all the transactions. This is reflected in the balance sheets produced for the GMs and AGM.
4. Accounts must be drawn up at the end of each financial year and presented and approved at the next Annual General Meeting.
5. The Trustees will appoint an appropriately qualified auditor/independent examiner to audit or examine the accounts.
6. Gift Aid to be claimed at the end of the financial year.

### **Banking**

1. The bank mandate (list of people who can setup and authorize online payments 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 should be reconciled with the cash book monthly.

### **Income**

All income received (Bacs payments, DD/SO, cheques and cash) will be recorded promptly in the cashbook, Cheques can be banked using the bank app without the necessity of visiting a branch, so can be banked without delay. Cash to be banked as soon as convenient (Bacs and cheques are the preferred choice of income) The Charity will maintain files of documentation to back this up.

Cash payments should be made to the treasurer in an envelope showing who it is from and what it is to pay for. Envelopes are available in the garage.

Membership and Visitor details. Orders for merchandise and events/bookings ( eg YMCA stays, lunches etc) are all fed through to a spreadsheet.

A column can then be added to record the details of payment amounts and date received for audit purposes.

### **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. All payments are made using the online banking system
3. An invoice/receipt is required before any payment can be made
4. Care needs to be taken when setting up a new payee online
5. One signatory sets up the payments and another authorizes, 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. This will be retained by the Charity and filed electronically. The treasurer should ensure that it is referenced with:

- An invoice number with ref to the accounting year e.g., 01/2024 which is recorded in the cashbook
- Date and amount of Bacs payment

## **Gift Aid**

Gift Aid can be claimed on donations where applicable.

These include collection boxes, donations (including visitor donations but NOT membership fees) and donations through Nochex.

Gift aid can only be claimed if the donor is a taxpayer and has given permission.

To help with this, the question is now on membership and visitor forms.

## **Asset Register**

The Charity will always adhere to good practice in relation to its finances, e.g., adding new purchases to a fixed asset register stating the date of purchase, cost, serial numbers, and normal location of assets.

Policy Adopted: 3<sup>rd</sup> December 2023

Policy review date: October 2024

**Paddlers for Life Windermere**  
**Charity Commission No. 1200841**  
Procedures for Handling Cash at Fund Raising Events

The following procedures are to be used for any fund raising event.

The event co-ordinator will liaise with the Treasurer .

There must be two cashiers available to cash up, with the Treasurer on hand for the final tally.

The Treasurer will withdraw the required amount for floats from the bank, keeping a written record of this transaction.

The Treasurer will prepare the floats and label them clearly for each stall holder. A record of these will be made, with specific detail about denominations used. To initial.

The event co-ordinator will prepare a list of all stalls and record the number of floats each has received. To initial.

Additional float money will be checked and counted by the event co-ordinator and held throughout the event, providing equivalent change if required by stallholders.

Before the start of the event, stall holders will be asked to check that the float amount is correct. To initial.

Part way through the event, the co-ordinator will collect the float money from each stall and record that it has been returned on the float tally list. To initial.

At the end of the event, the stallholder(s) count their takings as one amount, record that amount on the record sheet, cover the container and give it to the people cashing up. To initial.

Any donations must be put into a separate collection envelope and clearly labelled. Cashiers will check the amount in each envelope to ensure that it is the same as amount written on the envelope.

Cashing up will be done away from the event or in a quiet, separate room free of distraction.

The takings from each stall will be checked to verify the amount submitted by the stallholders. This amount will be written on the event tally sheet or spreadsheet and initialled.

Cash will be separated into individual denominations, bagged and weighed ready to be banked. This will be done by the Treasurer. Final totals will be checked to confirm that it balances with the total amount counted by the cashiers. At this point the Treasurer can also complete the cash deposit slip.

Float money will be checked to ensure that it tallies with the original amount. The Treasurer will ensure that a written record is made to show that the money has been returned to the charity's bank account.

Float money (if appropriate), hall hire and other expenses will be deducted from the takings to calculate the final amount made.

Members will be informed as soon as possible.

The Treasurer will keep the funds secure and deposit them at the earliest opportunity.