

Felton Village Hall Finance Policy

Purpose of the Policy

This policy enables the Trustees to pursue their aim of providing and maintaining a village hall for the use of inhabitants of Felton and the Neighbourhood.

It ensures that:

- the funds of the Charity, The Village Hall (Felton), are always solvent and that reserves are at equal to or in excess of the amount agreed to meet Charity Commission requirements and any ring-fenced funds agreed by the Committee
- the Village Hall is a safe, appropriate and attractive place for users, maintaining income in line with the agreed budget

Legal Requirements

The Trustees will manage the assets of FVH in accordance with the Hall's Trust Deed Schedule dated 26 June 1967

The policy will ensure the Trustees operate in accordance with the requirements of:

- Charity Law
- HMRC
- Common Law

Responsibility for Implementing the Policy

All Trustees share responsibility for ensuring this policy is being implemented. The Treasurer is responsible for day-to-day implementation of the policy in accordance with the agreed Financial Procedures detailed in this policy.

The Secretary is responsible for scheduling financial matters on the agenda of the regular meetings of the Trustees.

People affected by the Policy

All users of the Hall are affected by the implementation of this policy.

Monitoring and Review

The Treasurer is responsible for monitoring and reviewing the policy supported by the Officer with responsibility for Policies

Through completing the monthly accounts the Treasurer is monitoring the policy

The review will be presented to the Trustees as a report containing:

- the state of funds over the year in relation to planned reserves
- performance of the emergency reserve fund and a proposal for where it should be located
- how spending has ensured the Hall is kept safe, appropriate and attractive
- statements from the Treasurer and all others handling money that they have adhered to the policy
- recommendations for changes to the policy

This policy will be reviewed annually. The next review is due in October 2023.

This policy was formally adopted on October 5 2020.

Signed

Eileen Cameron

Chair

Procedures

1. All funds will be held in accounts in the name of 'Felton Village Hall', 'Felton Village Hall Business Premium ME' and 'Felton Village Hall 200 Club' at such banks and on such terms as the Trustees shall decide. The emergency reserve funds of £5,000 will be kept in a higher interest account. This is currently the Monmouthshire Building Society. The interest rate earned on this money is to be reviewed periodically.
2. Financial records will be kept to ensure and demonstrate that Felton Village Hall meets its legal and other obligations under Charity Law, Revenue and Customs and common law.
3. The financial year will run from June 1 to May 31
4. The balanced accounts will be prepared in sufficient time and independently examined by an auditor or examiner of accounts appointed by the AGM
5. The Trustees will hold a Financial Planning Meeting in May of each year. This meeting will:
 - Receive a detailed set of accounts for the current year including performance against the current budget.
 - discuss and approve a draft budget for the next financial year, including the sum to be held in reserve for contingencies, and any sums for specific projects, including grants. Reserves would usually be in the region of 3 – 6 months' operating expenses
 - review room hire and lease rates
6. The accounts and proposed budget will be presented at the AGM in July for approval. If the budget is not approved it will be reviewed by the new committee.
7. The Treasurer will present a financial report to every meeting of the Trustees. The format and content of this to be decided by the Trustees. The financial reports will be agreed by the committee, signed by the Chair and minuted by the Minuting Secretary.
8. Bank and cash book records will be reconciled no less frequently than bi-monthly, and agree with the financial report information presented to Trustees' meetings. These reconciliations will be reviewed by the auditor annually.
9. Events and Refreshment Accounts are kept as an independent subset of the main account. These deal with events that the Village Hall promotes. The Assistant Treasurer is responsible for maintaining this account and liaising with the Treasurer to arrange for paying in and out. Accounts are presented at each meeting of the Trustees. Income and expenditure are presented globally in the Treasurer's accounts.
10. The 'Felton Village Hall 200 Club' money is kept securely in a safe and handed to the Treasurer for banking
11. The only cash that is left in the hall is in a locked tin, screwed to a shelf, and is for a small amount of money from the sale of used books. It will be emptied quarterly by the treasurer.

12. The Treasurer is authorised to:
 - make online and cheque payments
 - transfer funds between the Current, Business and Savings accounts in order to maintain each at appropriate levels. Details of the transfer will appear in the accounts presented to the next Management Committee meeting.
13. All cheques and electronic payments require the signatures of two of four Trustees authorised by minute of a Committee Meeting
14. Trustees' out of pocket expenses will be reimbursed. An itemised receipt is required in all but exceptional circumstances. In such circumstances the amount must not exceed £10. All such spending must have been approved by the Management Committee in advance, either on an on-going or one-off basis.
15. All income and expenditure will be properly authorised and documented, and all income paid into the bank without undue delay.
16. The Treasurer is responsible for describing how income and expenditure are authorised and documented. Those procedures follow.
17. The Treasurer will send out reminders to all RUG groups who have unpaid invoices up to 7 days old. This reminder will also be copied to the relevant committee representative so they are aware of the situation. A further reminder will be sent 14 days later if the payment has not been made and this will also be copied to the RUG's link trustee. The Treasurer will bring to the notice of the committee at the next meeting, all RUG invoices that remain unpaid along with reminder details. The trustees will then decide what further action is necessary against defaulters.
18. One-off (private) hirers who do not pay their invoice in full prior to the event involved will not be given access to the hall. Once paid, the hirer will receive a receipt which provides proof of payment. A confirmation email will also be circulated to all committee members so they are also aware.
19. How far in advance One-off hirers pay depends on the time between their booking and their event:
 - 19.1. Bookings made more than 3 months in advance of the date.
The £50 deposit is required straightaway. The remaining amount is required no later than 3 months ahead of the date
 - 19.2. Bookings made less than 3 months and more than 14 days ahead of the date
An invoice for the full amount including the £50 deposit is issued immediately.
 - 19.3. Bookings made 14 days or less in advance of the date.
The invoice for the full amount is issued as soon as the booking is accepted (ie not waiting for receipt of the signed Hiring Agreement. Payment must be received at least 7 days before the event. If this is not possible because of very short notice, the hirer must contact the Treasurer urgently to discuss payment arrangements.

Procedures: What the Treasurer does

Money in

- The Booking Officer makes or confirms a booking via the Hallmaster system (HS) and the system sends the invoice to the hirer by email
- Payments are updated against the corresponding invoice on HS and an email receipt is generated
- Invoices can be paid by cheque, cash or directly by bank transfer
- Cash/cheques are paid into the bank
- A record (the paying in book) is maintained
- Details of the cheques and cash are recorded on the copy paying-in slip
- The Treasurer enters the details of the payment into an income and expenditure spreadsheet for the current period and electronically transfers those entries into the cash book.
- The Treasurer monitors HS at least once per month and pursues any arrears
- No invoices are prepared for Film Nights
- The only petty cash held is floats for the door and bar
- An honesty box operates for the purchase of ices at events
- The honesty box is emptied the same evening, and there is a check that it tallies with the number of ices sold

Money out

When an invoice or bill of some kind is received, the Treasurer

- Checks that it is correct.
- There are three methods of payment possible:
 1. by cheque:
 - writes a cheque for the appropriate amount
 - has it countersigned by one of the other two counter-signatories
 - posts / gives it to the payee
 - a note is kept on the invoice of the cheque number
 2. by online banking payment:
 - the Treasurer sets up the payment online for the correct amount
 - one of the other two signatories is informed that there is a payment which needs to be authorised
 - the co-signatory logs onto the online banking system and authorises the payment
 - the Treasurer is notified by email that the payment has been approved.
 3. by Direct Debit
 - utilities and one or two other items are paid by direct debit
 - all payment details are recorded in the R&P spreadsheet and Cash Book.
 - a paper record is filed

Approximately 2 days before the Management Committee meets

- The Treasurer closes the period account,
- reconciles the bank balance.
- investigates and resolves any discrepancies,
- breaks down all the entries on the R&P spreadsheet into categories,
- transfers the monthly totals into the Balance Sheet.
- circulates the R & P account for the period to the Trustees for consideration before FVHMC meeting.
- When the accounts are formally agreed in the meeting, the Chair signs the

accounts and retains that copy

At the end of the year the Treasurer emails to the Auditor the R & P and Balance Sheet spreadsheets and delivers the supporting documents to be examined and signed off, along with such files as the auditor requests.

200 Club

A nominated Trustee (NT) runs the 200 Club. There is a monthly draw, usually with 5 winning numbers (£20 and 4 x £10). Twice a year there is a £100 and a £50 prize. There is a separate bank account and spreadsheet for this. The NT collects all the payments, locks them in a safe and periodically gives them to the Treasurer to bank.

The Treasurer

- Pays the subscriptions into the bank
- Prepares cheques for the winners, has them countersigned by a second signatory and
- Gives them to the NT for distribution
- Enters receipts and payments on a spreadsheet
- Checks that income and expenditure balance month by month
- Circulates a copy of the 200 Club accounts to the Management Committee with the main accounts

Budget

Treasurer produces a budget for the committee meetings to be circulated with the account.

The budget includes an agreed Reserve Fund beyond which expenditure will not be made and may make provision to earmark Restricted Funds for specific projects.

Backup

- The Treasurer is to back up all the computerised accounts data each month.
- The Treasurer is to provide an updated copy of the computerised accounts to the deputy treasurer on a weekly basis via drop-box

What the Assistant Treasurer does

- Prepares the Events Accounts monthly and presents them to the Trustees at each meeting together with a forecast for the financial position of future planned events
- Updates the Events Accounts after each event
- Prepares the Refreshment Accounts monthly so they can be identified clearly as part of each event and also independently as they may occur as part of events not promoted by the Hall
- Liaises with the Treasurer to arrange for paying in and out, and for recording globally income and expenditure for events in the main accounts
- Shows the expenditure, income and profit for the bar and ices separately, so they can be identified clearly as part of each event and also independently as they may occur as part of events not promoted by the Hall
- Uses a percentage profit margin for the bar rather than identifying individual items
- Via the drop-box access and on-line access to the bank accounts, ensures that, in the event of the treasurer becoming indisposed, is able to take on the treasurer duties with minimum disruption.