

Slade Green Community Forum - Financial Policy

Slade Green Community Forum's Executive Committee undertake to administer efficient financial control and promote good practice by:

- appointing a Finance Sub-Committee of 5 members (at least 4 also members of the Executive Committee, including the Treasurer) to monitor and oversee the maintenance of the accounts.
- from time to time setting and maintaining a Reserve's Policy, as per Charities Commission guidelines.
- from time to time setting Expenditure Limit Guidelines for both committing the Forum to expenditure and making payments.
- from time to time designating funds for a particular use, or where appropriate, withdrawing designation for a specific use.
- ensuring incoming cheques are initially sent either to the Forum office or the Treasurer, not to the home of a committee member or volunteer.
- ensuring that General Meetings of the Forum are made aware of any financial problems the Forum may be experiencing.

The Finance Sub-Committee shall ensure:

- on the Executive Committee's behalf, that Section 2 of the Rules of the Forum relating to finance are followed.
- tight procedures are maintained for cash handling, including recording details of cash or cheques as soon as possible after receipt.
- whenever possible, payments in excess of £10 are made on the basis of an invoice received; alternatively receipts or a copy of a letter from the Forum detailing why a payment is being made may be used. In all cases, including where possible amounts under £10, evidence shall be kept for each payment and a reference number shall be placed on the evidence and against the movement of funds on the accounts.
- all invoices for payment should be checked thoroughly and all cheques drawn should be examined to minimise the risk of unauthorised payments.
- mandates to set up regular payments by bank standing order should be checked and authorised in the same way as invoices.
- a register of fixed assets is maintained and checked periodically.
- on-going accounts are maintained and projections made, and a regular report on the Forum's finances is made to the Executive Committee.
- specific records are kept to show separately the expenditure of restricted funds and any funds designated by the Executive Committee to a specific use.

Slade Green Community Forum will regularly monitor its approach to financial control at Executive Committee meetings and review its policy as necessary.

Rules of Slade Green Forum section 2 (for information)

2a. The Charity's financial year shall run from 6th April to the following 5th April.

2b. The Executive Committee shall ensure that accounts are maintained in accordance with the guidelines of the Charities Commission.

2c. A receipts and payments account outlining the previous financial year shall be included in the annual report.

2d. Full accounts are to be approved by a General Meeting no later than nine months after the end of the financial year.

Expenditure Limit Guidelines

Amounts of over £400 must be agreed by the Executive Committee prior to expenditure, amounts over £100 but not more than £400 shall be agreed by either the Executive Committee or by a majority of members of the Finance Sub-Committee. Amounts of £100 or less but more than £25 shall be agreed by the Executive Committee or by at least two members of the Finance Committee). Any member of the Finance Sub-Committee may approve amounts of £25 or less.

Reserves Policy

To hold in reserve expenditure sufficient for one half of a financial year. This shall be based on 50% of non-exceptional expenditure - i.e. one-off projects and community events are excluded. For each line of expenditure, the highest amount from the past two financial years is taken, and these amounts are added and divided by 2 to give the target reserve amount.