

Friends of the Porter Valley Finance Policy

Purpose

This document sets out the roles, authority and responsibilities for essential financial management controls, activities and decisions made in the name of the charity. It clarifies the rules and practices that must be adhered to when receiving and paying out money including the management of bank accounts, the webshop, the SumUp card readers, the handling of Membership subs, sales, and donations. It should be read in association with specific procedures which apply to the handling of cash at Shepherd Wheel and community events. This is to ensure that the charity acts in accordance with the law and Charity Commission guidance, and that its finances as well as the charity's reputation, are protected.

Scope

This policy is applicable to all volunteers and Trustees involved in finance processes such as authorising payments, managing the financial systems, and dealing with orders, creditors, and donors. The Treasurer carries a particular responsibility for informing the Board of Trustees monthly of expenditure and income flows, alerting them to issues of concern, and ensuring that reserved funds are ring fenced. All volunteers should be made familiar with the relevant procedures and this document can be used as a reference document by the Board of Trustees, the independent examiner, members, and any other relevant stakeholders (for example grant giving bodies such as the Heritage Fund and Sheffield City Council).

Treasurer Role

The Treasurer is a Trustee and one of the 3 Officers of the Charity. They will manage the input, processing, output control and distribution of the charity's financial data and reports. They will present to the Board of Trustees the income and expenditure in the most recent calendar month and the cumulative funds held.

Board of Trustees Role

The Board will ensure that the charity's accounts conform to sound accounting principles and practices, for example that credits are made promptly, and payments authorised by the responsible person; that the monthly financial reports are timely and accurate and that issues of concern are properly examined and resolved.

The Accounting year

The accounting year will run from 1 September to 31 August and an AGM will be held on the first Wednesday of each November to enable Members to examine the management of their charity. It is essential that members, funders, and other stakeholders can feel confident that the charity is looking after its money well.

Independent Examiner and the Annual Accounts

A qualified accountant, preferably with experience of charities, shall be appointed every year as the independent examiner. They will ensure that the charity's Annual Report and Accounts are sound and advise on best practice.

Reserve Fund

A reserve of £5,000 will be maintained to cover all essential and foreseeable costs such as annual Public Liability Insurance and maintenance of essential services such as the website.

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Petty Cash Book

A cash book will be maintained by the Treasurer to record the incoming and outgoing flows of money.

Budget

Up to now it has been sufficient to maintain only an Income and Expenditure Account and the charity does not forecast budgets. Our funds come from membership subs and donations, and some sales at events. Our expenditure is variable and largely related to restoration and improvement projects. Our essential expenditure is very small. We have no building or salary costs.

Project Funds

Funds for active projects are ring fenced for each specific project and maintained for the duration of that project. Current project funds are included in the AGM financial report each year.

Details of the current project funds can be found in the latest AGM report, or by formal request. The Board of Trustees reviews the available project funds annually and can decide to add to them if necessary.

Funds for Active projects are ring fenced. These are currently: the Restoration and Improvement of Heritage at Forge Dam; Playground Improvements at Forge Dam; Improvement and Maintenance of Shepherd Wheel Heritage Cutlery Museum; Investment in Family Activities and Play at Bingham Park; Replacement of the toad sculpture in Endcliffe Park; Ward Pot and LAC Grants; Bingham Park Pétanque court.

Around spring each year, the Board of Trustees reviews the available general funds and can decide to add to the Project Funds.

Banking

Two signatories are required for all BACs payments and cheques. The main current account is with the NatWest bank. The Treasurer will maintain a list of approved signatories and hold the cheque books. There are no loan or overdraft facilities (they are not needed). There are accounts earning interest with CAF Gold and Unity Trust Instant Access Account. Additional current accounts are held with CAF and Unity Trust for the purpose of transferring funds. Accounts are held with SumUp, Stripe and PayPal for web and card payments. The charity strives to maintain a healthy balance.

Cash Handling

- A cash count sheet (with two signatures, total cash collected, date, type of event and collection point/shop) and receipt form are used for all cash income
- Any mistakes/changes should be initialled by both parties on the cash count sheet
- The receipt form to be filled in to marry up with the cash count sheet(s)
- More than one cash count sheet may be entered onto a receipt form
- The receipt form is to be completed by the person who deposits the money into the FoPV current bank account and may be different to who signed the cash count sheet(s)

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- The receipt form with the relevant cash count sheets should be sent to the Treasurer, via email scanning/taking a photo of the sheets or as full paper versions
- The overall total on the receipt form to be transferred to FoPV bank (not the individual cash count sheets)
- The receipt form should be completed and sent to the Treasurer with money transferred to the bank in a reasonable time after collections have been made, and at least once a month.

Shepherd Wheel Museum has its own monthly cash count sheet.

Donations

By and large the destination of donations is clear, and the money is added promptly to the appropriate Reserve Fund. Where not specified, the money goes into the general fund and its destination agreed by the Board of Trustees, for example with bequests made simply to the charity.

Gift Aid

Gift Aid is claimed.

Payments and Receipts

Claims for reimbursement must be submitted on an approved expense form with supporting invoices.

An approved receipt form must be completed for payments received such as merchandise, duck food sales, donations etc. and comply with the cash handling policy.

There are no travel expenses payments for volunteers; Trustees receive no remuneration; there are no paid staff.

Policy Review

This policy will be subject to annual review in July and any necessary updates and modification by the Trustees. It will be available as an open document on the charity's website so that it can be seen by anyone interested to see that the charity is scrupulous in its financial management.