

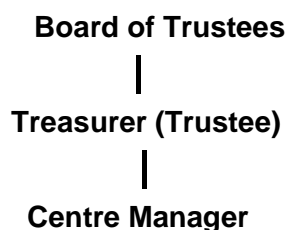
The Westway Community and Well Being Centre

FINANCIAL POLICIES

To be read in conjunction with Financial Payment Procedures Appendix
B

(Approved 7 July 2022)

1. FINANCIAL ORGANISATION



1.1 AUTHORISATION LEVELS

- TRUSTEES collectively approve the annual budget; authorise expenditure; approve annual accounts
- CHAIR OF TRUSTEES has limited authorisation of agreed expenditure.
- ANY TWO TRUSTEES can authorise payments and contracts, including contracts for employment (acting by Resolution on behalf of all Trustees) and commitment of expenditure for emergency contractor work.
- TREASURER TRUSTEE has limited authorisation of agreed expenditure
- ANY ONE TRUSTEE can authorise online payments initiated by the Centre Manager
- THE CENTRE MANAGER is responsible, with assistance from the Bookkeeper:
 - Budget preparation
 - Preparation of monthly financial reports
 - Initiation of online payments limited to pre-authorised accounts
 - Preparation of documentation for payments authorisation
 - Maintenance of the Trust's financial records
 - Preparation of salary, Income Tax and National Insurance payments
 - Purchase of stationery and other administration items
 - Limited authorisation to purchase maintenance materials from pre-authorised suppliers.
- THE BOOKKEEPER is responsible to the Trustees via the Centre Manager for timely and accurate financial record keeping. The Trustee Treasurer can independently instruct the Bookkeeper if required.

2. FINANCIAL BUDGET

The Trustees will approve a budget of expenditure for the coming financial year, April to April, in October of each year.

3. MANAGEMENT OF INCOME

The Trust's primary income sources are

- (a) Grants from Tandridge District Council
- (b) Grants and Donations from Charities and others

4. AUTHORISATION OF EXPENDITURE

Trustees (collectively) have unlimited authority for expenditure to meet the Charitable Objectives of the organisation.

Between Trustees' meetings, the Chair of the Charity can authorise expenditure previously approved in principle by the Trustees or part of a restricted grant, up to a limit of £2,000.

The Treasurer Trustee can commit expenditure on items and services within the approved budget categories and amounts or part of a restricted grant, up to a maximum of £1,000 for any one transaction.

The Chair of Trustees may at his/her discretion delegate expenditure authority to the other Trustees Administration during periods of extended absence by either the Treasurer or the Chair.

The Centre Manager may make purchases on behalf of the Centre, for any one transaction, for routine use from pre-authorised suppliers up to a maximum of £500 for catering food supplies, £350 for transportation costs and £300 for all others.

In an emergency, when delay may cause harm to the Centre or damage to property, the Centre Manager is authorised to commit expenditure for the hire of specialist contractors, to carry out necessary works. This must be reported to the Trustee Board as soon as possible.

5. STAFF RECRUITMENT AND REMUNERATION

The level of remuneration for each member of staff will be reviewed and changes may be authorised annually by the Trustees, normally in February for implementation from 1st April. In addition, the Trustees may authorise the payment of bonuses for special events or achievements.

All remuneration payments to staff will be administered in accordance with current regulations concerning Income Tax and National Insurance.

The Bookkeeper is responsible for initiating payments for authorisation by the Trustees and subsequent payment as well as for maintaining all relevant records and making the necessary submission to HM Revenue & Customs.

6. AUTHORISATION OF PAYMENTS

The mandates for payments from the Trust's bank accounts will include all current Trustees. Where necessary for initiating online transactions, the mandate will also include the Centre Manager or Bookkeeper. The Centre Manager and Bookkeeper are not authorised to sign cheques under any circumstances. Transactions initiated online by the Centre Manager or Bookkeeper must be authorised by a Trustee.

Cheque Payments must be authorised by the signature of two Trustees for expenditure that has been correctly authorised and where the service/items are confirmed as being received.

Automatic payments, by direct debit or bank standing orders, and by online payments may be used for utility bills, salaries and other appropriate payments. Such arrangements must be approved on a case by case basis by the Trustees (at a Trustees' meeting or as otherwise agreed) and authorised in line with the existing mandate and established internal procedures.

7. FINANCIAL RECORDS AND REPORTS

The Centre Manager, supported by the Bookkeeper, will maintain records of all financial transactions performed by the Trust and ensure their accuracy and completeness.

The Treasurer Trustee will:

- review the financial accounts on a monthly basis for accuracy and to identify any areas for concern.
- review the Trust's online bank transactions each month and the Trust's bank statement before each Trustees' meeting.

The Centre Manager, with assistance from the Bookkeeper will:

- prepare a monthly financial statement to include income and expenditure by category, including variances from budget.
- Prepare reports as required for special projects and other extraordinary activities as requested by the Trustees.

All financial reports will be reviewed at each meeting of the Trustees.

8. FIXED ASSETS

A register will be maintained of the Trust's assets in which all property owned by the Trust is recorded and new purchases added. A check of the assets will be carried out annually to ensure that the property is not lost and that it is in serviceable condition.

9. RESERVES

The Trust will build and maintain sufficient reserves to meet:

- fluctuations in short-term expenditure
- regular maintenance requirements
- provision of alternative services in the event of a major loss of facilities

The Trust's reserves will be held in a current account and in savings accounts (if needed) with any reputable financial organisation providing an acceptable rate of interest and instant access. The level of these reserves shall be equivalent to three months gross income.

Any changes to these banking arrangements must be approved by the Trustees at a Trustee's meeting.

The Centre Manager or Bookkeeper will report on changes to the reserves at each meeting of the Trustees. The Trustees will review the locations and the levels of the reserve funds in October each year, when reviewing the following year's proposed budget, to determine any adjustments to be made.

10. INSURANCE

The assets of the Trust will be insured through an insurance broker. (The level of cover provided to be agreed by the Trustees).

Trustee Liability insurance will be provided.

Statutory cover for Employers Liability insurance for a minimum of £5 million will be provided.

Public Liability cover for a minimum of £5 million will be provided.

Checks should be made that all contractors employed by the Trust have current Public Liability insurance.

11. AUDITS

As a registered charity, the Trust is required to have the Trust's annual accounts prepared, signed and submitted in accordance with the Charity Commission regulations.

One or more Trustees will carry out an internal review of the Trust's financial systems each year to ensure that they continue to meet the Trust's needs and are being correctly applied.

12. FINANCIAL RELATIONSHIPS WITH RELATED PARTIES

Trustees and staff must not accept any payment from a member, relative of a member or centre user or enter any private financial arrangement for exchange of goods or services with any of the aforementioned. In the event of a Trustee or member of staff receiving a gift from a member, relative or centre user, this event should be reported at a Trustees meeting. Trustees and staff should not obtain any special advantage whatsoever by procuring goods or services from the Trust's contractors or suppliers.

The Trust's staff are not allowed to sign as a witness any legal documentation which relates to a Member, Relative of a Member or Centre User.

Appendix A - SCHEDULE OF ACCOUNTS

Westway Treasurer's Account Lloyds Bank
Caterham
Sort Code: 30-91-72
Acc Number: 00941532

Westway Amenity Account Lloyds Bank
Caterham
Sort Code: 30-91-72
Acc Number:

Banking Procedure

Introduction

The Westway Centre banks with Lloyds Bank in Caterham.

When a cheque is received it must be made payable to The Westway. When cash and/or cheques are received the following procedure is followed.

Receipt of cash

When the Centre Manager (CM) receives cash she will complete a slip in the Lloyds Bank Paying in book and this will be paid into Lloyds Bank and the Book stamped.

Receipt of a cheque

When the CM receives a cheque she will complete a page in the Lloyds Bank paying in book and the cheque(s) paid into Lloyds Bank and the paying in book stamped.

Accounting records

When the bank credit appears on the bank statement the Bookkeeper records the credit in the accounting system.

Appendix B - FINANCIAL PROCEDURES

Invoices

Invoices received for goods or services will be signed by the Centre Manager (CM), to confirm the goods or service has been received. The invoice will then be booked into the Accounts via Hubdoc by the Book Keeper and the Centre Manager (CM) will arrange the payment by transfer from the Bank account as a first means.

Electronic Payment

The CM will complete an Electronic Payment Authorisation form, this form accompanies the invoice and records the date of payment, payee, amount and is signed by the Trustee authorising payment of the invoice. If a Trustee has signed the invoice, they cannot authorise the payment. The CM will then log onto the Trust's online Bank current account and set up the electronic payment. Once the payment has been set up online the CM will ask either the Chair, Treasurer or other Trustee to authorise the payment online. If that Trustee has signed the Electronic Payment Authorisation form, then they cannot also authorise the payment online.

Authorisation of the Electronic Payment

Once the payment has been set up online the CM will email either the Chair, Treasurer or other Trustee with the payment details including the Payee, amount and invoice details and ask them to log onto the bank account and authorise the payment online. If the Trustee has authorised the initial payment of the invoice, they cannot also authorise the payment online. Once the Trustee has completed the authorisation they will confirm this to the CM by email.

Payment by cheque or cash

Occasionally it may be necessary to pay an invoice by cheque. Once the invoice has been signed by the CM, the cheque will be raised by the Treasurer or Bookkeeper and then signed by any two Trustees who will also initial the invoice and cheque book stub. No payments will be made in cash unless no practical alternative exists, and a receipt will be required in this situation.

Payment by direct debit or standing order

Utility bills and telephone services are paid by direct debit, the invoices are required to be signed by the CM and given to the Treasurer.

Approved by Trustees 7 July 2022