

FAKENHAM CHORAL SOCIETY FINANCIAL POLICY

1. INTRODUCTION

Fakenham Choral Society is committed to ensuring that robust financial policies and procedures are in place to safeguard the assets of the Society. The Society's committee/trustees are jointly responsible for managing a group's resources responsibly. The aim of the policy is to:

- ensure the trustees have proper financial controls of the organisation and that financial transactions are in accordance with the aims and objectives stated in the constitution
- provide a clear framework for trustees and volunteers to work with when dealing with money.
- ensure the organisation meets its legal obligations in relation to accounting and financial reporting to the Charity Commission and HMRC.
- ensure the organisation meets the contractual obligations and requirements of funders.

2. ACCOUNTING BASIS AND RECORD KEEPING

The financial year runs from 1st July to 30th June.

- The accounts will be kept on a receipts and payments basis
- Accounting records comprise
 - An Excel spreadsheet analysing all the transactions appearing on the bank accounts.
 - Bank reconciliations
 - Bank statements
 - A record of invoices received and issued
 - Receipts for payments made
 - A list of amounts owed and owing
 - Expense claim forms
 - Cheque book and paying in book stub receipts
 - List of assets
 - Records of cash payments

All financial records will be kept for 6 years from the financial year end date they relate to. This can include digital storage.

3. ANNUAL ACCOUNTS

- Accounts must be drawn up at the end of each financial year within 3 months of the financial year end, and in sufficient time to be presented at the AGM.
- Accounts will include:
 - Final reconciliation of income and expenditure with bank statements
 - A summary of the financial position at year end
 - An income and expenditure statement

Scrutiny of accounts:

- Accounts will be subject to Independent Examination by a person with financial knowledge. This complies with the Charity Commission ceiling requirement for an Independent Examination in any financial year.
- The accounts will be presented for approval to members at the AGM
- The accounts will be sent to the Charity Commission within 10 months of the financial year end

4. BUDGET

- Within 3 months of the start of each financial year, the trustees will approve a budgeted income and expenditure account for the following year.
- The trustees will review actual income and expenditure compared with the budget regularly and reforecast the budget as necessary.

5. BANK ACCOUNTS

All payments by cheque or online banking require two signatories. There will always be a minimum of three signatories.

6. INCOME/RECEIVING PAYMENTS

The following procedures apply to all Fakenham Choral Society trustees, volunteers and freelancers taking and making any payments on behalf of Fakenham Choral Society.

- Ideally all payments due to Fakenham Choral Society (excluding membership and Friends subscriptions) should have an accompanying invoice issued to the payee. Where this is not possible the payee should be issued with a receipt confirming payment has been made and what it was for (this could be via email or a digital scan of the receipt)
- For any cheque or cash payment received:
 - Report receipt of the payment to the treasurer in writing (email) as soon as practically possible. The amount and reason for payment should be recorded.
 - Pay any cash or cheques into the bank account as soon as practically possible and within 10 working days of receipt.
 - Notify the treasurer that the payment has been made to the bank (email)
 - An account signatory (usually the Treasurer) must check and confirm the amount paid into the bank has been received within 7 days.
 - The bullet points above do not apply to subs payments, which will be notified at regular intervals
- All payments received into the bank account will be recorded and accounted for in the charity accounts within 1 month of receipt of the payment.

7. EXPENDITURE – PAYMENTS MADE BY THE CHARITY

- All requests for payment are submitted to the Treasurer, or in their absence the Vice Chair. As two signatories are required, routine expenditure does not require further authorisation. Non-routine expenditure will be discussed and authorised at committee meetings.
- All payments made from Fakenham Choral Society bank accounts will have a matching corresponding invoice, order form or expense claim form.
- Where possible payments will be made electronically via the Barclays online banking website. If this is not feasible then a cheque payment may be made. Cash payments should not be made unless there are exceptional circumstances.
- Payments should be made in a timely fashion

Dual authorisation

- All payments made from the bank account must be authorised by 2 signatories.
- All cheques must be signed by two signatories
- Blank cheques must never be signed
- Where the payment is for a signatory's expense, it is preferable that the signatory claiming the expense should not be one of the approving signatories.
- All payments made from the bank account must be recorded and accounted for in the charity accounts within 1 month.

8. CLAIMING EXPENSES BACK FROM THE CHARITY

Trustees

- Trustees are approved to make payments up to £200 from their own personal accounts on behalf of the charity without approval from a signatory.
- For amounts over £50, they must submit a written request for a reimbursement of payment within 10 days of making the payment, including receipt(s).
- For smaller amounts (i.e. several small value purchases) which add up to £50, Trustees must submit a written request for reimbursement (including receipts) at least annually before the 30th June (or before the financial year end if this has changed).

Staff, freelancers and other volunteers

- All non-trustees must seek approval from a trustee before making payments from their personal account on behalf of the charity.
- They must submit a written request for a reimbursement of payment within 10 days of making the payment, including receipt(s).

Travel expense policy

A trustee or choir member may claim travel expenses when attending an event on behalf of the Society.

- Rail Travel: cheapest form of standard class rail (e.g. please make use of advance fares)
- Car travel: 45p per mile if a private car is used. Insurance, breakdown cover, MOT, parking fines & other such penalties are the responsibility of the individual driver and cannot be reclaimed.

9. CONCERTS

Concert income from tickets, programmes and drinks sales is received by both cash and card payments. This necessitates the provision of cash floats for the day of the concert.

- Separate cash floats for ticket sales, programme sales and drink sales are provided
- Takings are tallied separately
- All cash is paid in as soon as possible after the event

10. FIXED ASSETS

The trustees have agreed that assets costing more than £2,000 are treated as capital expenditure, recorded as fixed assets on the balance sheet and depreciated (the cost spread) over the estimated useful life of the asset class

11. HMRC AND TAX

Fakenham Choral Society is a charity and can claim the charity tax exemption on activities related to its primary activity (for example, sales of tickets for concerts). Any trading that is secondary to its primary activity is expected to be below the exempt trading limit and registration limit for VAT and so will also be exempt from tax. As such Fakenham Choral Society does not have to submit an annual tax return to HMRC or register for VAT.

Gift Aid

Fakenham Choral Society claims Gift Aid on donations received from the public and on membership subscriptions paid by members. It can also claim Gift Aid on cash received under the Gift Aid Small Donations scheme (GASDS).

- All Gift Aid claims related to donation and membership subscriptions must be supported by an appropriate Gift Aid declaration.
- Gift Aid is claimed once during the financial year.
- An annual assessment on the percentage of the membership subscription eligible for Gift Aid is carried out
- Gift Aid declarations and the associated donation records must be kept for as long as Gift Aid is claimed against that declaration, which may be indefinitely.
- Once a donor stops making donations, or a declaration is time limited, the declaration and records should be kept for seven years.

12. REPORTING

The Treasurer will provide a report for each committee meeting, which will include (as a minimum) current bank balances, items of particular note, and event accounts as appropriate.

13. RESERVES

When considering the accounts for the previous financial year and the budget for the next financial year the Committee will consider how much the Society should keep in financial reserves and prepare a justification statement for inclusion in the annual report to the Charity Commission.

14. REVIEW

This policy will be reviewed on an annual basis unless the trustees deem it necessary to review the policy sooner.

ACCEPTANCE OF POLICY BY THE COMMITTEE

Signed : Roger Burbidge

Dated: 6/6/2024

Print Name: ROGER BURBIDGE

Position: Chairman

Next review date: May 2025

Review frequency may be extended after the first year's review.

ANNEX 1

Fakenham Choral Society has bank accounts with Barclays Bank as follows:

Fakenham Choral Society (Community current account)
 Sort code 20-30-81 Account number 00370843
 Fakenham Choral Society number two account (Community current account)
 Sort code 20-30-81 Account number 30520085
 Fakenham Choral Society number three account (Community current account)
 Sort code 20-30-81 Account number 43463753
 Fakenham Choral Society (Business Premium Account)
 Sort code 20-30-81 Account number 20875201

APPENDIX

Retention Policy - Disposal or archiving of Financial and Treasurer's paperwork (May 2024 review)

Item	Date	Comments	Recommendations	Committee decision	Action by
Advertising analysis	2010-2012		Dispose	Dispose	GA
Snow list	2011-2013		Dispose	Dispose	GA
Contact details of committee members	2012 & 2013		Dispose	Dispose	GA
Rehearsal dates	2012/2013		Dispose	Dispose	GA
Subs paid	2007-2014	We need to keep this info for 7 years	Dispose	Dispose	GA
Concert prep and information	2012 -2014	Likely to be duplicates		Retain until existing paper files with RB reviewed	
Committee agenda, minutes, treasurers report	2011-2014	Likely to be duplicates		Retain until existing paper files with RB reviewed	
Trustees annual report	2010		Dispose	Dispose	GA
Annual accounts	2003-2013		Scan and archive on website	Agree	GA
Correspondence re: staging	2011		Dispose	Dispose	GA
Members phone numbers and addresses	2009-2014		Dispose	Dispose	GA
Contracts with MD and accompanist	2011		Dispose	Dispose	GA
Constitution and drafts	2011	Duplicate	Dispose	Dispose	GA
Summary of concerts	2006-2011			TBC	
Invoices/vouchers	2009-2013		Dispose except for fixed asset invoices	Agree	GA
Newsletters	2012			Retain until existing paper files with RB reviewed	
Gift aid claim	2005-2013		Dispose	Dispose	GA
Cash books (1 income + 1 expenditure)	1997-2013			Retain for historic purposes	
Cash book	2013/14	Should be Excel file available			
Gift aid lists	2009-2010		Dispose	Dispose	GA
Barclays statements	2008-2013	Hosted on Barclays website from 2017		Dispose	GA
Old cheque books and paying in books			Retain for 2 years then dispose	Agree	GA
Gift aid declarations	2007-2012	Need to be retained for 7 years	Dispose	Dispose	GA