



Warwickshire Pride

Registered Charity Number: 1162449

# Finance Policy

Warwickshire Pride is committed to achieving excellence in everything it does, which includes the system of financial controls & procedures it has in place to manage the day to day finances of the charity.

### **Trustees' Responsibilities**

The board of trustees takes overall responsibility for ensuring that the organisation complies with Charity Commission requirements.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees ensure that:

- Suitable accounting policies are applied consistently
- Sound judgements and estimates are reasonable and prudent
- The assets of the charity are safeguarded
- Prevention of fraud procedures are in place
- Mistakes are avoided
- Financial records are kept in accordance with the governing document and relevant legislation
- Annual Accounts in accordance with the governing document and relevant legislation are prepared

### **Reference and Administrative Details**

The financial year runs from: 6<sup>th</sup> April to 5<sup>th</sup> April

Charity number: 1162449

Principal Office: Warwickshire Pride, 80 Spinney Hill, Warwick, Warwickshire, CV34 5SP

## Bank/Monetary Accounts

All monetary accounts are in the name of the organisation. No account shall be opened in the name of an individual. New accounts are only opened by a decision of the trustees, which are to be recorded.

## Bank Accounts

Warwickshire Pride has two accounts with CAF (Charities Aid Foundation) Bank which is specifically designed to provide banking services for charities and not for profit organisations.

There is a Cash account which is used for day to day banking, and a Gold account which offers flexibility to earn interest while having instant access to the money. There is one card for the Cash account, which the Chair holds for the purchasing of items the charity needs.

The Chair, Treasurer and Secretary will all be given online access to the bank accounts, along with one additional trustee as a backup. Currently the signatories are:

- Chair – Daniel Browne
- Treasurer –
- Secretary –
- Trustee – Simon Davies

Login details should be kept securely by the authorised people to ensure access is securely maintained. Individuals who are no longer entitled to have access should be removed from the account, although if that means there are insufficient users to enable authorisations this should be delayed until such a time that there is no issue.

Warwickshire Pride needs two of the signatories to authorise any online BACS payments.

To ensure Warwickshire Pride receives the benefit of interest paid on their funds, an amount of £150 is kept in the Cash account, with all other funds being transferred to the Gold account which has a higher interest rate paid on the monies in the account. Instant transfers can be made between the two accounts which means it can be switched easily as the need arises to make payments.

Warwickshire Pride will not use any bank or financial institution or use overdraft facilities or loan without the agreement of the trustees.

## PayPal

Warwickshire Pride has a Paypal account through which purchases and donations can be made. The password of the account is held by the Chair, Treasurer and Secretary. However, if needed by other trustees the password can be shared. Each month as part of the financial recording process, the Treasurer should check the activity on the account to ensure it is being used safely and in an appropriate manner. A maximum of £20 should be left in the Paypal, with anything over this being transferred to the CAF accounts.

## Financial Reporting

It is the responsibility of the Treasurer to ensure financial records are available for the trustees to check the financial position of the charity at any point in time and for the trustees to use for funding bid purposes.

Records should be updated on Liberty Accounts (the accounting platform used by Warwickshire Pride) by the Treasurer by the second weekend of each month. If this is not possible, for example due to illness or holiday, the Treasurer must inform the Chair and explain the reason. The Treasurer should then update the records as soon as possible to ensure they are available. This is vital for the running of the charity and the ability to confidently submit funding applications that have up to date financial information included.

In addition to the Treasurer, the Chair and Secretary will also have access to Liberty Accounts.

The Treasurer should also prepare a financial report to present to the trustees at every trustee meeting. The financial report should be ready to be shared with the meeting agenda so that trustees have an opportunity to read and consider the report before a meeting. This report should include detail about the money available in the accounts and groups/funds as detailed in the financial recording section above has available – including whether this is restricted or unrestricted funds. A template is used to ensure the report continues all relevant information – these are retained on the Google Drive. The Treasurer should be prepared to answer any questions that other trustees have regarding the accounts at these meetings and at any time such information is needed.

The Treasurer also has the responsibility to ensure the end of year report is compiled and completed by 31<sup>st</sup> May each year (this is almost two months after the end of the financial year). The report should be uploaded to the Google Drive to ensure that the information is available to the trustees when it is needed to meet the reporting responsibilities of the charity. The Treasurer will also present the end of year report as part of the AGM of each year.

As part of the requirements set out by the Charity Commission, when we exceed an income of £25,000 we need to arrange to have an independent audit carried out by someone unrelated to the charity before the annual report is submitted. The examiner needs to check the financial records and confirm by making a statement that the records are correct.

Funders' financial returns, when required, will follow their recommended procedures and be signed off by the Chair or Treasurer before submission.

## Annual Budget

The annual budget, setting out the Warwickshire Pride's financial plan for the year, is prepared by the Chair, assisted by the Treasurer, every February for approval by the board of trustees.

## Financial Recording

Financial records are kept on Liberty Accounts, the accounting platform used by Warwickshire Pride. Access to these records is granted to the Treasurer, Secretary, and Chair. Access can be provided to other trustees when required.

At present financial transactions are recorded using a spreadsheet on Google Drive. It is typically the Chair who details the transactions. The Treasurer then populates the information to Liberty Accounts.

Funds that the charity receives are classified as restricted and unrestricted. Restricted funds are those where the charity has received monies for a particular group or event and the money received can only be used for that which it is specified. These are specified by the funder approving the funds. Unrestricted funds are those which do not have specific uses determined and can therefore be used for any part of the charitable work we complete.

As part of the review carried out in the Autumn of 2020, an agreement was made to only retain and store records electronically. Any paper receipts, invoices and other documents received from January 2021 will be scanned and stored electronically. The paper records received prior to this are stored securely and in line with the GDPR.

There are a number of paper records from previous financial years which are kept by the Treasurer in a secure place. Records are kept in line with the GDPR and will be shredded at the end of the required retention period for each financial year.

## Financial Records Retention

Financial accounting records have to be kept for **6 years** from the end of the last financial year they relate to, or longer if they show a transaction that covers more than one of the accounting periods.

The records must be adequate enough to show:

- Details of money received and spent by the charity. For example, bank statements and minutes of any meetings where significant decisions were taken.
- The charity's assets and liabilities.

## Income

For any income, the Treasurer should be provided with detail about the transaction to ensure that it is accounted into the correct group or fund account. If remittance advice notes are received, these should be uploaded and stored in the relevant section on Google Drive.

A copy of any funding offer should be kept by the Chair and the Treasurer and all reporting requirements should be met in a timely manner.

Any cash received (for example, donations at events) should be paid into the CAF bank accounts within ten working days of receiving them. The Chair and Treasurer each have a paying in book and monies can be paid in at any HSBC bank.

## Spending

As far as possible all payments out of the bank accounts or Paypal should be evidenced by an original invoice or receipt. If a receipt or invoice is not available, the Treasurer should be made aware of the reason why it was not possible to get an original invoice or receipt and a written record of the transaction should be completed by the person involved in the transaction.

Receipts, invoices or written records of transactions should be provided to the Treasurer as soon as possible after the transaction; preferably by the end of the month the transaction was completed. The reason for them being handed over by hand is to allow the Treasurer time to clarify anything with the transactions.

Payment of invoices received should be made according to the payment terms on the invoice, although if there is no clear payment term shown, payment should be made within 30 days after receipt of the invoice.

## Petty cash system

A petty cash float is available to cover minor items of expenditures (for example, weekly refreshment purchases for the youth groups). The agreed maximum level of the petty cash float is currently £150. Records must be kept in order to present an accurate financial position and in case of queries by an auditor or independent examiner.

As far as possible supplier invoices should not be settled out of petty cash, unless agreed with the board of trustees. Volunteer expenses can be paid from petty cash as long as a completed expenses claim form has been received and it is not possible to pay by BACS as detailed in the expenses section of this policy.

Some of the groups may require a petty cash sum for a particular activity (for example, a trip for the youth groups). This should be kept separate to the usual petty cash float. Records should be kept to ensure that the person is protected from potential claims of misuse and it provides an audit trail which the Treasurer needs for the record keeping to be accurate.

Petty cash must not be borrowed or used for personal purposes, for cashing personal cheques or for other purposes outside the usual spending of Warwickshire Pride.

## Reimbursement of Volunteer Expenses

Volunteers (which includes trustees) may incur costs relating to their volunteering role (for example, travel expenses or items purchased to use as part of a group they may involved in running). Before purchases of items for groups are made, the volunteer should discuss this with the trustee with responsibility for that group (or with the Chair if this is not possible) to ensure that the purchase can be made within the financial situation of the group.

The following are allowable expenses and may be reimbursed upon presentation of a claim:

- The reasonable cost of travelling to and from meetings, and on charity business and attending events. This can include the cost of using public transport, taxi fares, and petrol allowances to the level permitted by HM Revenue & Customs (HMRC) before tax becomes payable.
- Reasonable refunds for the cost of meals and refreshments taken while on charity business. The maximum amounts have been set as:
  - £6 for drinks when running one group or attending one meeting.
  - An additional £10 for a meal when running multiple groups or attending

multiple meetings on the same day, or when running an all day group or attending an all day meeting.

- The reasonable cost of childcare, or care of other dependants (for example, an elderly parent) whilst attending meetings.
- The cost of postage and telephone calls on charity business.
- The costs of a volunteer's telephone rental and broadband subscription, so long as these are split to reflect the percentage of time relating to usage on behalf of the charity.
- Communication support – Translating documents into braille for a blind volunteer or into different languages, provision of alerting and listening devices, and other special aids for people with hearing impairment.
- The costs of buying training materials and publications relevant to volunteering.
- Providing special transport, equipment or facilities for a volunteer with a disability.
- Cost of reasonable overnight accommodation and subsistence (including any essential care costs) while attending meetings or other essential events such as voluntary sector conferences or specialist training courses.

The following are not allowable expenses and will not be reimbursed:

- Payment of hotel accommodation or travel costs for spouses or partners who are not themselves travelling on charity business.
- Payment of private telephone bills for business unrelated to the charity.
- Payment of private medical insurance.
- Petrol mileage rates above the levels approved by HMRC for claimable expenses.
- In the case of a trustee nominated by a local authority, expenses already allowed for under that authority's statutory or contractual arrangements.
- Any otherwise allowable expense for which the trustee cannot supply acceptable proof of expenditure.

Expenses can be claimed by completing an expense claim form which should be submitted to the Treasurer. Upon receipt of the form, it will be checked for accuracy and then a payment will be set up on the bank account. A second authorisation will

be required. As far as possible this process will be completed within seven days of receiving the completed expense claim form.

Receipts must also be obtained for items to be reimbursed as far as possible and sent or handed to the Treasurer as soon as possible after an expense claim has been submitted. Physical receipts should be forwarded to the Treasurer in a timely manner. Receipts can also be photographed or scanned and emailed to the Treasurer.

### **Payments to Trustees for Delivery of Services**

As per charity legislation and Warwickshire Pride's constitution, trustees can receive payment for delivering services on behalf of the charity. For example, delivering training, taking part in consultations, facilitating counselling sessions, etc. There is an agreement in place that all trustees are able to receive payment, which was signed by the trustees of the charity at that time. For training, this is 50% of the total received by Warwickshire Pride. For other service delivery it will depend on the terms and conditions of the work.

For a trustee to be paid for service delivery on behalf of the charity, they must submit an invoice to the Treasurer. Payment will then be made by BACS within 30 days.

### **Advance Payments**

If appropriate, Warwickshire Pride may agree to payment or part payment in advance of the expenditure being incurred. All advance payments must be recorded on a petty cash voucher if provided in cash or an email confirmation from the board of trustees if payment is made by BACS.

In such cases of advance payments, the required supporting evidence (i.e., receipts or invoices) must be supplied when it becomes available. If no such evidence can be provided, the recipient of the payment may be required to return the full amount to Warwickshire Pride. Where an advance payment proves to be in excess of the actual expenditure, the recipient shall return the overpayment to Warwickshire Pride.

Last reviewed: January 2026

Next review due: January 2027