



Financial Rules & Management Policy

A copy of these rules will be available to everyone who joins the Friends.

1. Introduction

- The whole group through its monthly general meetings acts as the management committee. The group elects three officers, a Chair, a Secretary and Treasurer at the Annual General Meeting.
- The whole group informs the Officers who then administer the decisions of the group.
- The group and its officers as a whole are responsible for ensuring that it is well managed and that we look after our income properly and put it to best use.

We will keep appropriate financial records, including:

- computerised spreadsheet/cash book recording all the transactions in the bank account(s), which will include any cash received
- Print-outs in date order will be kept in a ring-binder or other file also containing.
- bank statements and cheque book
- details of all funds received
- invoices and other receipts for all payments

Our financial year ends on March 31st

- We will draw up accounts at the end of the financial year and have them examined by a suitable person who is independent of the group. The annual accounts will be presented to the Annual General Meeting for approval with a report from the treasurer.
- We will report and discuss any financial matters at quarterly meetings of the Friends showing cash received, payments, remaining funds and any expected future receipts and payments.

2. Bank account(s)

- We have a current cheque account with [Bank Name] in the name of [Your Friends Group]
- Any bank transactions will go through our current account. If we pay money into any other account, it will be as a transfer from the current account.
- At least three members of the management committee will be signatories to the accounts, one of which will be the Treasurer. Signatories will be agreed at the AGM
- Any withdrawals or transfers between accounts will be signed by two of the signatories. We expect that one of these will be the treasurer. If not, we will give the treasurer full details of the payment.
- We will ask the bank to provide statements every month and will check the statements against our account book.

3. Income

- If we receive cash as donation we will issue a receipt and keep a copy.
- If we receive cash at events, two members of the group will count up the cash, make a note of the total and sign for it.
- Details of cash received will be entered in the cashbook.
- We shall bank all cash received – we will not use it for cash payments. We expect that cash over £100 will be banked within a week.
- We will record details of cheques received in the cash book and bank the cheques within one month.
- The treasurer will keep files of paperwork relating to the cheques (e.g. grant award letters or copies of receipts issued by the group).

4. Buying goods and services

- Any purchases or expenditure will be agreed in advance at Friends monthly meetings, either as shown in project budgets or discussed, or agreed by Chair's action. The treasurer will keep a file of all the paperwork and check all invoices before making payments.

5. Payments by cheque, direct debit, bank transfer or ATM card

- We will not sign a cheque without paperwork to support the payment.
- We will not authorise payments by direct debit or by bank transfer (BACS) without paperwork to support the payment.
- Two signatories are required on each cheque. We expect that one of these will be the treasurer. If not, we will give the treasurer full details of the payment.
- All other payments (including BACS, debit card payments, standing orders and direct debits) must be signed for in advance on a payment form. The 'payment form' will include the following details: payee; date; amount; type of payment (e.g. BACS, standing order); and space for two signatures.
- We will never sign a blank cheque.
- Cheque stubs will be completed at the time of payment.

We will record details of payment on the paperwork:

- cheque number / type of payment
- date
- who signed the cheque / payment form
- We shall write details of all cheque payments in the cash book.

6. Petty Cash

Any petty cash system will:-

- Keep a small float of £30 for small payments such as fares, tea, coffee, materials. We will keep the float separate from incoming cash and draw cash from the bank to make up the float.
- Cash withdrawals from the bank account by cheque will require two signatories
- Payments above £20.00 will be made by cheque
- We will record payments on a petty cash slip and keep receipts
- We will enter in the petty cash book the amount of cash drawn from the bank and details of payments

7. Staff Wages.

When required we will comply with all PAYE and NI regulations.

