A society registered under Co-operative and Community Benefit Societies Act 2014 as a Community Benefit Society with charitable status
Registration number: 9176

Financial management and control policy and procedure

1 Introduction

The Directors of Hengistbury Head Outdoors share overall responsibility for financial control and safeguarding the funds of Hengistbury Head Outdoors and ensuring that the organisation operates in accordance with the financial powers stated in its rules. This document sets out how this responsibility will be exercised and where functions have been delegated to particular trustees or staff of Hengistbury Head Outdoors

2 The role of the Treasurer

The treasurer takes the lead at board level on:

• making sure Hengistbury Head Outdoors keeps proper accounts
• reviewing financial performance
• ensuring policies for finance and if relevant investment are regularly reviewed
• ensuring that Hengistbury Head Outdoors has robust and effective financial controls in place
• liaising with any employed finance officer/book-keeper and with the auditor (or independent examiner)
• reporting on financial matters to Board meetings and at the AGM

The treasurer will carry out periodic internal checks, for example prior to audit, and a checklist to assist with this will be provided

3 Financial records

Financial records will be kept so that:

- Hengistbury Head Outdoors can meet its legal and other obligations, e.g., HM Revenue and Customs, Charities Acts, Companies Acts, Common Law.
- The Hengistbury Head Outdoors trustees can have control of the organisations finances.

- The organisation can meet contractual obligations and the requirements of funding bodies.

The organisation will keep proper books of account using an accounts package agreed by the Board. These will include:

- A cash book analysing all transactions
- Sales, purchase and nominal ledgers
- Petty cash records
- Payroll records
- Balance sheet items including assets, liabilities, grants, shares etc.

4 Budget

The financial year for Hengistbury Head Outdoors will end on 31st March

Before the start of each financial year, the Hengistbury Head Outdoors trustees will approve a budgeted income and expenditure account for the following year.

A paper comparing actual income, and expenditure with the budget will be presented to the Hengistbury Head Outdoors Directors every 6 months

5 Accounts and Audit

Accounts will be drawn up after each financial year within 4 months of the end of the year and presented to the next Annual General Meeting.

The accounts will be submitted by the Company Secretary and Treasurer to the Financial Conduct Authority and HMRC

The Directors will appoint an appropriately qualified auditor or an independent examiner to audit the accounts for presentation to the next AGM.

The Directors will review the appointment of the auditor/independent examiner at least every 3 years

6 Best value

When procuring goods and services it is Hengistbury Head Outdoors's aim to achieve best value. For goods and services valued at over £5,000 at least 3 quotes will be obtained. For service contracts such as ICT, telephone and cleaning organisations will be invited to submit a proposal and these will be considered in relation to specific criteria including price, service requirements and quality. Whenever possible feedback will be obtained from organisations that are currently using the relevant service provider.

Service contracts will be reviewed at least every 3 years.

7 Bank

Hengistbury Head Outdoors will bank with the Co-operative Bank and any other banks agreed by the Board, where the accounts will be held in the name of Hengistbury Head Outdoors. The current account will be held with Co-operative Bank. All bank accounts held by Hengistbury Head Outdoors must be agreed and approved by the Hengistbury Head Outdoors Directors.

The bank mandate (list of people who can sign cheques or authorise electronic payments on the organisation's behalf) will always be approved and minuted by the Hengistbury Head Outdoors Directors as will all changes to it.

The Treasurer will reconcile the bank accounts and any other financial receipt services every month and will present the reconciled figures to the Directors at each Board meeting.

Hengistbury Head Outdoors will not use any other bank or financial institution or use overdraft facilities or invest speculatively unless authorised, approved and minuted by the Hengistbury Head Outdoors Directors.

8 Fundraising, funding bids, tenders, and partnership arrangements

All fund raising, grant applications and tendering undertaken on behalf of Hengistbury Head Outdoors will be done in the name of the organisation and will generally be based on recovery of the full cost of the proposed work. If the organisation is to subsidise the cost of any work from reserves or earned income then this must be approved by the Directors. The Treasurer can approve bids and tenders to a value up to £2,500. Purchasing decisions and payments of tenders between £2,501 and £24,999 require agreement by 3 Directors. Bids and tenders to a value over £25,000 require the prior approval of the Board of Directors. Details of all funding bids and tenders will be provided to the Board.

Hengistbury Head Outdoors may be the partner in a bid submitted by another organisation only if this is consistent with the objectives of Hengistbury Head Outdoors as set out in our Rules. The partnership arrangements must have the prior approval of the Board. All partnership arrangements will be reported to the board. When Hengistbury Head Outdoors will receive funding from partnership arrangements and take on financial commitments a written agreement must be in place covering the financial arrangements. In these circumstances the funding that Hengistbury Head Outdoors receives should generally be based on recovery of the full cost of the proposed work. If the organisation is to subsidise the cost of work from reserves or earned income then this must be approved by the trustee board The Treasurer can approve partnership agreements to a value up to £2,500. partnership agreements of between £2,501 and £24,999 require agreement by three Directors. Partnership agreements over £25,000 require the prior approval of the Board of Directors.

When Hengistbury Head Outdoors submits a funding bid or tender as the accountable body and there are partners to the bid or tender, the arrangements must be agreed by the treasurer and Directors in accordance with the financial limits set out above. This includes the composition of the partnership. Where funds are to be dispersed or remitted to partners the partners must have in place arrangements for accounting for these funds that have been agreed with Hengistbury Head Outdoors and that are consistent with our audit and reporting

requirements. An agreement must be in place before funds are allocated to partners.

9 Receipts (income)

Hengistbury Head Outdoors will ensure that all the income to which it is entitled is received and that this is evidenced.

A schedule of grant and contract income with the method of payment will be maintained and reviewed every 3 months.

All monies received will be recorded promptly in the cash analysis book and banked without delay (note this includes sundry receipts such as payments for telephone calls, photocopying, small donations from individuals etc.) The organisation will maintain files of documentation i.e. letters from funding bodies to back this up.

(add any procedures related to particular activities such as fundraising events, donations from individuals, renting rooms, sale of services. State the arrangements and frequency for notifying the person who deals with sending out invoices and recording income)

All payments must be made to Hengistbury Head Outdoors by cheque or BACS. The Treasurer and book keeper will review all debts on a monthly basis and agree follow up action. The schedule of debts will be sent every month to the treasurer for information. When an individual debt exceeds (£1000) for a period of more than 3 months then this will be brought to the attention of the Directors and relevant action agreed.

A schedule of charges for services and facilities will be maintained by the Treasurer. This schedule will be reviewed at least annually and increases agreed by Directors.

10 Payments and authorisation (expenditure)

The preferred method of payment is by bank transfer. Cheques will also be used when bank transfer payment is not possible. Cheque books (unused and partly used cheque books) must be kept in the safe under lock and key. Only authorised staff and the book keeper will have access to the safe.

Blank cheques will NEVER be signed.

Whenever possible, the same person should not be responsible for ordering, processing and checking invoices as well as raising payment requisitions, signing cheques and authorising payments.

The Treasurer may authorise payments up to £2,000.00. Payments greater than £2,000 will require the approval of 2 bank signatories from Hengistbury Head Outdoors.

The General Manager or Assistant General Manager may spend up to £2,000 in a month between them, on their own initiative on the societies Credit Card. If they

expect to need to spend more, authorisation must be sought and given by two Directors and evidence of the authorisation saved to be auditable.

The relevant payee's name will always be inscribed on cheques before signature. The cheque stub will always be filled in.

No payments will be authorised or cheques signed without original documentation.

Money will only be spent to meet conditions and requirements of the funding bodies and in pursuance of the objectives in the Rules

11 Payment Procedures and Documentation

Every payment from the organisation's bank accounts will be supported by an original invoice (never against a suppliers statement or final demand). The original invoice will be filed and kept for seven years. The person who signs the cheque or authorises the online bank payment should ensure that the Hengistbury Head Outdoors request for payment form is fully completed.

This includes the following.

PAYMENT METHOD
DATE OF INVOICE /REQUEST
AMOUNT OF PAYMENT
WHO AUTHORISED THE PAYMENT

The only exceptions to payments not being supported by an original invoice would be for such items as advanced booking fees for a future course, VAT, etc. Here a payment requisition form (see model form on our web site) will be used. Alternative supporting documentation such as the booking application form must be provided.

Contracts with suppliers can only be set up if authorised by the Treasurer in consultation with the appropriate Directors.

Petty cash will always be maintained on the imprest system. A Petty Cash book/ledger will be maintained with a float. The treasurer will have overall responsibility for this float as agreed by the Directors. When that is more or less expended, a cheque will be drawn or online transfer made for sufficient to bring up the float to the agreed sum (currently agreed at insert amount), the cheque being supported by a complete set of expenditure vouchers and when possible receipts, totalling the amount spent. All Petty cash receipts and expenditure will be supported by original documents. The expenditure will be analysed in the petty cash book within (state details of accounts package).

Expenses/Allowances - Hengistbury Head Outdoors will reimburse expenditure paid for personally by staff that is claimed using the agreed claim form, providing:

Fares are evidenced by proof of purchase.
Other expenditure is evidenced by original receipts.
Car mileage is based on HMRC allowances.

The expenditure has been authorised by a line manager
The claim is submitted within 3 months of expenditure being incurred

Process for authorisation:

Payments shall be authorised on a weekly basis.

Full authorisation shall normally be completed on, and no later than, the Friday following notification by the bookkeeper of payments pending

The first signatory should normally be the treasurer. In their unavoidable, continued absence (state designation of alternative authoriser) may act as first signatory in their place

Where only one officer is required to authorise, that will normally be the Treasurer.

No signatory should authorise payments to him or herself. It is the responsibility of the other signatory to ensure this does not happen.

Weekly procedure:

1 Bookkeeper draws cheques and uploads internet payments.

2 Bookkeeper notifies both signatories of payments pending according to authorisation limits.

3 Bookkeeper makes available appropriate evidence for first signatory

4 (Internet payments only) Bookkeeper forwards summary evidence to second signatory where appropriate

5 First signatory authorises/signs cheque no later than the two days following notification of payments pending.

6 First signatory notifies second signatory of payments pending and ensures availability of primary evidence if required.

7 Second signatory authorises payments no later than, and usually on, the day following notification of payments pending by the first signatory.

The bookkeeper may, according to their judgement, specifically notify signatories of exceptionally large or urgent payments.

12 Salaries

There will be a clear trail to show the authority and reason for payment. The (state name of payroll company used - as relevant) will handle payroll administration.

They will provide records of transactions to Hengistbury Head Outdoors. All employees will be paid within the PAYE, National Insurance rules. Salaries will be processed using BACS systems. The Chief Officer or Treasurer will sign off the monthly submission to the payroll company.

All staff appointments will be authorised by the Board of Hengistbury Head Outdoors. All appointments will be reported to the trustees.

All contracts with freelance suppliers will be on the basis of Hengistbury Head Outdoors's standard consultancy agreement or an alternative that covers the main requirements in the standard consultancy agreement and is subject to the agreement of the Officer. Freelance contracts will be subject to the authorisation limits outlined in section 9 above.

13 Credit and debit card payments

The preferred and principal method of payment is either by cheque, Credit or Debit Card or internet banking from the current account.

The credit card should only be used in specific circumstances, namely:

a. When a customer account is unavailable to Hengistbury Head Outdoors
b. When a purchase by credit card represents significantly better value than a cash purchase
c. When card payment is required by a supplier, through the internet
d. When exceptional circumstances prevent any other method of payment

The card shall never be used for withdrawing cash. Hole in the wall type cash cards will not be used and if issued by the bank will be immediately cut in half.

Cards shall only be used for payment by the named cardholder(s). The named card holder(s) will be (Bill Howlett, Jessica Pearcey).

Payments shall only be made on receipt of a 'payment authorisation' form correctly completed according to the authorisation limits as detailed in the procedures (below).

It is the responsibility of the Cardholder to ensure that the credit card is held in a secure place at all times.

Every reasonable effort shall be made by the cardholder to maintain the security of the card details:

- Card details shall not be shared by the cardholder with any other person other than a payee in the process of making a payment.
- Both sides of the credit card should not be photocopied or recorded and stored together in any other way.

Procedure:

a. A correctly completed payment authorisation and purchase order form is received by the Card Holder (CH)
b. CH verifies funds are available within budget
c. CH pays by credit card and acquires receipt
d. CH signs payment requisition form to indicate payment and attaches receipt
e. CH files requisition
f. Monthly statement arrives
g. CH verifies all items on the statement, with reference to the supporting documentation, and confirms receipt of goods
h. CH attaches a payment requisition form for each entry on the statement and passes to Bookkeeper within 5 working days of receipt of statement
i. Bookkeeper enters to purchase ledger and files documentation

Note: It is the cardholder's responsibility to identify, investigate and inform the bookkeeper of irregularities such as non-receipt of goods or incorrect amounts.

14 Confidentiality

The confidentiality of employees financial circumstances will be respected at all times.

Trustees, volunteers and employees will at all times act in the best interest of the organisation and if they experience a conflict of interest they will not divulge sensitive information about the organisation.

16 Fixed assets and inventory of capital items

Hengistbury Head Outdoors will set up and maintain a fixed assets register stating the date of purchase, cost, serial numbers and normal location of the asset(s). If it holds stocks of goods, e.g. books, etc., of significant value, it will maintain proper records. Hengistbury Head Outdoors will maintain an inventory of all capital items. The fixed assets register and inventory will be produced by the book keeper and reviewed by the Treasurer (insert other role as relevant) and on a day to day basis.

17 Reserves and Investment Policies

The Directors will consider the level of reserves that is prudent for Hengistbury Head Outdoors to have when agreeing the annual budget. Consideration will be given to future strategy, potential redundancy liabilities, and any other significant factors that should be taken into account were Hengistbury Head Outdoors to close or move to new premises. The specific reserves policy including any designation of reserves for specific purposes will be agreed by trustees on an annual basis.

Insert if relevant - A proportion of Hengistbury Head Outdoors reserves will be invested to generate investment income. An investment policy will be agreed by Directors. All investments will be decided by trustees and should be consistent with the investment policy.

The Directors of Hengistbury Head Outdoors will keep these financial controls under review

1 Date agreed by the Board September 7th 2026

2 Date agreed by the members

3 Period for review by the Board

4. Company Secretary Signature and date