

## **The Halton Lune Trust (Charity No. 1160975)**

### **Financial Controls Policy**

#### **Financial Records and Accounts**

##### **1. Introduction**

- 1.1 Financial records must be kept so that the Halton Lune Trust ("the Charity) can:
  - a) meet its legal and other statutory obligations, such as Charity Acts, His Majesty's Revenue & Customs and common law.
  - b) Enable the trustees to be in proper financial control of the Charity.
  - c) Enable the Charity to meet the contractual obligations and requirements of funders.
- 1.2 The Charity will keep proper records of accounts, which will include:
  - a) A cashbook analysing all the transactions appearing on the Charity's bank accounts.
  - c) Relevant HMRC taxation records in accordance with current legislation and reporting requirements.
- 1.3 The financial year will end on the 31 December each year.
- 1.4 Accounts will be drawn up after each financial year within three months of the end of the year and presented to the next Annual General Meeting.
- 1.5 Prior to the start of each financial year, the trustees will approve a budgeted income and expenditure account for the following year.
- 1.6 A report comparing actual income and expenditure with the budget should be presented to the trustees every three months or whenever meetings take place.
- 1.7 The AGM will appoint an appropriately qualified auditor/ independent examiner to audit or examine the accounts before presentation to the next AGM.

##### **2. Banking**

- 2.1 The Charity will bank with Co-operative Bank of 1 Balloon Street, Manchester M60 4EP and accounts will be held in the name of the Charity. The following on-line accounts will be maintained:

The Halton Lune Trust Deposit Account

The Halton Lune Trust - Community Direct Plus Account (General Account)
- 2.2 The bank mandate (list of people who can sign cheques/authorise online transactions on the Charity's behalf) will always be approved and minuted by the trustees as will any changes to it.
- 2.3 The Charity will require the bank to provide statements every month and these will be reconciled with the cash book at least every three months and the trustees in their formal meetings will spot check that this reconciliation has been done at least twice a year, signing the cash book accordingly.

2.4 The charity will not use any other bank or financial institution or use overdraft facilities or loan without of the agreement of the trustees.

### **3. Receipts (Income)**

3.1 All monies received will be recorded promptly in the cash book and banked without delay (this includes sundry receipts such as payment for donations from third parties, etc.). The Charity will maintain relevant documentation to back this up.

### **4. Payments (expenditure)**

The aim is to ensure that all expenditure is on the Charity's business and is properly authorised. Signatories should not incur expenses which are outside of the authorised limits.

4.1 The Treasurer will be responsible for holding the cheque books (including unused and partly used cheque books) which should be kept under lock and key.

4.2 Blank cheques will NEVER be signed.

4.3 The relevant payee's name will always be inserted on the cheque before signature and the cheque stub will always be properly completed. Supporting documentation will always be presented to the signatory when a request is made to approve a cheque or online transaction.

4.4 No cheques should be signed or online transaction approved without original documentation (see below).

4.5 Online transactions should be made by two signatories.

### **5. Payment documentation**

5.1 Every payment out of the Charity's bank accounts will be evidenced by;

- a) If a grant - the Grant application form, date and Minute of the Halton Lune Trust Meeting which approved the grant transaction.
- b) If other expenses - an original invoice. That original invoice will be retained by the Charity and filed. The signatories should ensure that it is referenced with:

Cheque/BACS number

Date drawn

Amount

Who signed

### **6. Cheque Signatures/Online Banking Controls**

6.1 Each cheque will be signed by at least two Trustees.

6.2 Each online payment transaction should be authorised by at least two Trustees.

6.3 A cheque/online transaction must not be signed by the person to whom it is payable.

6.4. ATM cash cards will not be used and if issued by the bank they will be immediately destroyed.

**7. Other undertakings**

- 7.1 The Charity does not accept liability for any financial commitment unless properly authorised.
- 7.2 Any fundraising and grant applications undertaken on behalf of the Charity will be done in the name of the Charity with the prior approval of the trustees or in urgent situations the approval of the Chairperson who will provide full details to the next trustee's meeting.
- 7.3 The Charity will adhere to good practice in relation to its finances at all times.

**(The above information was adapted from an article published by CASH on their website: see [www.cash-online.org.uk](http://www.cash-online.org.uk))**

**The Policy was considered and adopted by the Halton Lune Trust at its meeting on \*  
2024**

**Authorised Signatories/Trustees at 19 February 2024**

**Susanna Dart**

**Nick Mannion**

**Jonathan Sewell**

**Carol Slinger**

**Debbie Storr**