



DONISTHORPE COMMUNITY INTEREST COMPANY **FINANCIAL CONTROL POLICY**

Donisthorpe Community Interest Company's (DCIC) financial control policy consists of:

- Management of financial records
- Banking arrangements
- Receipts
- Payments
- Other rules

Introduction

This financial control policy is designed to ensure that all expenditure that relates to DCIC is properly authorised and that this can be demonstrated and evidenced. This policy is to clarify all tasks and responsibilities for key members of DCIC management Board of Directors detailing what they need to have as an overview of spend each year. They are responsible for holding, accounting for recording, reviewing, and keeping detailed records to ensure they meet the requirements of their funders and of Companies House as a Community Interest Company.

Management of financial records

DCIC will maintain its financial records on fit for purpose accounting software and will have proper financial controls to meet the contractual obligations and requirements of its members and funders.

Book-keeping records of accounts

- All receipts and expenditure will be recorded on PANDLE, whether they be cash or bank transactions.
- Details of spend will be collated each month and management accounts produced to be presented at regular full meetings of the company.
- The financial year runs from September to August.

Banking arrangements

DCIC has a business community bank account with Lloyds Bank plc, with access to internet banking.

Two signatures are required on account administration and cheques, internet banking requires one person for authorisation but two people must have access to internet banking at any time.

Any changes to the bank mandate must be approved and minuted at the meeting during which the change was agreed.

DCIC's Treasurer will keep all financial systems up to date regularly and in accordance with Companies house regulations.

Receipts

All monies received by DCIC will be recorded promptly by the Treasurer without delay (this includes sundry receipts such as payment for telephone calls, photocopying etc.). DCIC will maintain files of documentation to back this up.

All income from other funding bodies must be maintained as required by the funding body.

Payments

Wherever possible, payment for goods or services received should be made to the company or organisation supplying an invoice. However, where this is not possible a Bank transfer or cash, request should be made.

Where possible payments will be made by the faster payment service operated by the Bank.

Bills and Invoice Authorisation

- All DCIC bills and invoices for goods and services received must be approved before payment.
- Approval for payment must come from the directors.
- Bills and invoices will be sent directly to the DCIC treasurer.
- Before payment is made the details of the bill or invoice must be checked thoroughly by the treasurer to ensure that the goods or services being charged for have been provided. If there is any discrepancy, no payment should be made and the person, company or organisation issuing the invoice or bill should be contacted so that a correct invoice and bill can be issued.

Expenses, payments, and honorariums

Donisthorpe CIC will reimburse expenditure paid for personally by volunteers, providing it has been agreed in advance by the Directors. Expenses may cover:

- fares that are evidenced by tickets and were undertaken solely for Donisthorpe CIC business
- expenditure that is evidenced by original receipts containing the items claimed
- car mileage is based on current HMRC mileage rates
- no cheque signatory signs for the payment of expenses to themselves
- remuneration claims should be accompanied by a record of what this is being paid for and demonstrates the agreed activity has taken place.

Payment documentation

Every payment must be accounted for and must be evidenced by an original invoice and never against a supplier's statement or final demand.

People are not permitted to agree or pay their own invoices or expense claim forms.

Other rules

DCIC, as the accountable body, should always adhere to good practice in relation to its finances. This should include when relevant, a fixed asset register stating the date of purchase, cost, serial numbers, and normal location of assets. Additionally, DCIC will maintain a property record of items of significant value, with an appropriate record of their use. Any assets should be returned to DCIC if individual members stand down.

Purchases of goods or services over a value of £1000 agreed by the DCIC Management Board will be subject to obtaining at least two quotes, and the subsequent decision based on value for money and minuted at the meeting where this was discussed.

Any member of the DCIC Management Board who has a personal interest in, or connection to, an organisation or individual who is already being paid by the DCIC (or intends to quote for work being commissioned by DCIC) must declare this interest and have it minuted at the meeting where the work is discussed.

Signed on behalf of DONISTHORPE COMMUNITY INTEREST COMPANY (signed copies on file)

Name: Alison Davies

Position: Chair

Date:

Signed: