

Version	V01
Title:	Internal Financial Controls Policy
Date Approved by Management Committee:	28Jan24 by email exchange
Review Date	Jan 2025

### Purpose

The purpose of this policy is to provide guidance to the Trustees who are involved with managing the Balsall Common Village Hall's (BCVH) funds and to ensure that there are adequate internal financial controls over the charity's assets and their use.

### Scope

This policy covers all financial activities associated with BCVH's activities. The individuals falling within the scope of this policy include Trustees, Committee Members, Volunteers and self-employed workers. BCVH does not employ any staff.

### Responsibilities

The Treasurer shall present accounts for the most recently available period at each Committee meeting.

The Treasurer shall present to the Board of Trustees at each annual general meeting (AGM) the report and accounts of the charity for the preceding year, once the independent examination of said accounts is complete. The Trust Deed says that "there shall be an Annual General Meeting in connection with the Foundation which shall be held in the month of April each year or as soon as practicable thereafter".

BCVH accepts and implements the guidance provided by the Charity Commissioners in the management of its operations, as follows:

1. The trustees of BCVH are under a duty to ensure that the charity keeps proper books and records, and that annual accounts are prepared. The trustees must also prepare an Annual Report. The Annual Report and accounts should conform to any relevant requirements and recommendations.
2. Trustees must ensure that the accounts are subjected to scrutiny, as required by legislation or by the charity's governing document.
3. Trustees need to formally approve the charity's Annual Report and accounts.
4. All trustees are provided with copies of the charity's report and accounts each year. New trustees ought to be given a copy of the latest accounts on appointment, together with other essential documents such as the governing document, and information about the charity's history.

### Controls over expenditure

It is important for trustees to bear in mind that they are responsible for all expenditure of charitable funds and have to account for how the charity's funds have been applied. A minimum of two signatories are required for any cheque or online banking transaction. The Treasurer is authorised to set up direct debit mandates for regular payments, e.g. to utility providers, but subject to details being provided to the Chair of the Trustees.

**Controls over purchases**

Trustees have a responsibility to ensure that adequate checks are made to both confirm that purchases have been properly authorised by a minimum of two signatories with full supporting backup and that goods or services ordered have actually been received.

**Controls over Public Donations and Legacies**

The Trustees are responsible for ensuring that when a public donation or legacy is offered to BCVH that the Treasurer confirms to the trustees that the party donating are personally known to BCVH and that any attached conditions are acceptable if they support the purposes of the charity and do not introduce any conflict of interest. If the donating party is not known to BCVH then it is necessary to carry out a "Know Your Client" procedure. Donations and Legacies that do not support the charitable purposes for BCVH will not be accepted.

**Trustees' liabilities**

If funds are lost through trustees neglecting their duty of care they could be held personally liable to repay to the charity the funds lost. However, if reasonable controls are in place and have been adhered to, then trustees are unlikely to find themselves in the position of having to make good any such loss.