

Financial Controls and Procedures Policy

Issue 2. February 2025



The Margaret Adcock Foundation

Registered Charity Number 1205889
135 Foss Road, Hilton, Derbyshire, DE65 5BJ.

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The Margaret Adcock Foundation is a Charitable Incorporated Organisation governed by a Constitution which established the objects and powers of the charity. The Foundation entered the Register of Charities on 24th November 2023 with Registered Charity Number 1205889.

Financial Controls and Procedures Policy

1. Purpose

The purpose of this policy is to provide a framework for managing the financial activities of The Margaret Adcock Foundation to:

- Safeguard the charity's assets.
- Ensure compliance with legal and regulatory requirements.
- Promote transparency, accountability, and efficiency in financial decision-making.

2. Scope

This policy applies to all Trustees, staff, and volunteers involved in the financial management of The Margaret Adcock Foundation.

3. Roles and Responsibilities

3.1 Board of Trustees

- Maintain overall responsibility for the charity's finances.
- Approve the annual budget, financial statements, and key financial decisions.
- Monitor financial performance and ensure compliance with regulations.
- Appoint an independent auditor or examiner for the charity's accounts.

3.2 Treasurer

- Oversee day-to-day financial management.
- Ensure the implementation of this policy.
- Prepare and present financial reports to the Board.

3.3 Staff and Volunteers

- Follow financial procedures as outlined in this policy.
- Report any concerns about financial irregularities to the Treasurer or Trustees.

4. Financial Planning and Budgeting

- The annual budget will be prepared by the Treasurer and approved by the Board.
- Expenditure must align with the charity's objectives and budget.
- Significant deviations from the budget must be reported to the Trustees promptly.

5. Bank Accounts and Cash Management

5.1 Bank Accounts

- All funds must be held in bank accounts in the charity's name.
- The charity will maintain 1 bank account with The Co-op Bank, plus 1 PayPal account.
- Online banking access must be secure and restricted to authorised personnel.

5.2 Cash Handling

- Cash income must be minimised; where unavoidable, it must be recorded, securely stored, and banked as soon as possible.

6. Income Management

- All income (e.g., donations, grants, and fundraising proceeds) must be recorded promptly in the accounting system.
- Restricted funds must be accounted for separately and used only for their intended purpose.
- Gift Aid claims will be submitted regularly and accurately to HMRC.

7. Expenditure Controls

7.1 General Principles

- All expenditure must be reasonable, necessary, and aligned with the charity's objectives.
- No individual may authorise payments to themselves or their close relatives.

7.2 Authorisation of Expenditure

- Expenditure over £100 must be approved by the Board of Trustees.
- Routine expenses under £100 may be authorised by the Treasurer or a delegated staff member.

7.3 Payments

- Payments will be made by bank transfer, or debit card. Cash payments should be avoided wherever possible.
- Supporting documentation (e.g., invoices, receipts) must accompany all payments and be retained for audit purposes.

8. Financial Record-Keeping

- All financial transactions must be recorded in the charity's accounting system (e.g., spreadsheets or accounting software).
- Records must be retained for at least six years, in line with legal requirements.
- The Treasurer will reconcile bank statements with the accounting records monthly.

9. Monitoring and Reporting

- The Treasurer will prepare financial reports, including income and expenditure statements and cash flow forecasts, for each Board meeting.
- Trustees will review these reports to monitor the charity's financial position.

- An annual report, including independently examined or audited accounts, will be prepared and submitted to the Charity Commission in accordance with legal requirements.

10. Fraud Prevention

- Trustees will maintain a zero-tolerance approach to fraud and financial misconduct.
- Any suspected financial irregularities must be reported immediately to the Treasurer or Chair of Trustees.
- The charity will investigate all incidents thoroughly and take appropriate action, including reporting to authorities if necessary.

11. Reserves Policy

- The charity will maintain a reserves fund equivalent to 3 months of operating costs to ensure financial stability.
- The Reserves Policy will be reviewed annually by the Board.

12. Conflict of Interest

- All Trustees, staff, and volunteers must declare potential financial conflicts of interest in line with the charity's Conflict of Interest Policy.
- Trustees must not authorise or benefit from any financial transactions where a conflict exists.

13. Review of Policy

- This policy will be reviewed annually by the Board of Trustees to ensure it remains effective and compliant with regulations.

Approved By:

- Chair of Trustees: D. Adcock _____
- Date: February 2025 _____

Policy Review Date:

- Next Review: November 2025 _____