

LEVENS VILLAGE HALL (Charity No. 1192940)

Finance and Reserves Policy

Levens Village Hall Finance/Expenditure Policy

Throughout this document Levens Village Hall CIO is referred to as LVH.

1. The charity trustees will manage the assets of the charity in accordance with the LVH Constitution dated 30 November 2020.
2. The charity trustees will insure the Trust Property with a reputable Insurance Company on an 'All Risks' basis for its full rebuild value; the sums insured shall be reviewed at each policy renewal.
3. Financial records will be kept to ensure that LVH meets its legal and other obligations under Charity Law, Revenue and Customs and common law.
4. The financial year will end on 31st December and accounts for each financial year will be drawn up and approved by the charity trustees at a General Meeting of Members (charity trustees) usually held in March.
5. The accounts will be independently examined by an auditor or examiner of accounts appointed by the charity trustees.
6. The charity trustees will approve an income and expenditure budget prior to the start of each financial year and monitor financial performance at every meeting.
7. The charity trustees shall approve a Reserves Policy and determine the extent and nature of reserves designated as Restricted Funds. The Reserves Policy will be reviewed annually when the annual budget is set.
8. All funds will be held in accounts in the name of Levens Village Hall at such banks/building societies and on such terms as the charity trustees shall decide. Investments will only be made in ethical funds that are in line with the charity's objectives. Funds will be spread appropriately to ensure that all savings are protected by the Financial Services Compensation Scheme.
9. Other than for items specified in the annual budget, all expenditure of over £50 must be agreed in advance by the charity trustees.
10. Payments of up to £100 may be made electronically by the treasurer, or other account signatory. Payments of over £100 require dual authorisation.
11. The treasurer shall present a financial report to every meeting of the charity trustees: the format and content of the report to be decided by the charity trustees.
12. All expenditure shall be properly authorised and documented; all income shall be paid into the bank without undue delay.
13. The charity trustees will undertake a financial risk assessment of all trust activities and review it annually.

Levens Village Hall Financial Procedures

1) Financial Records

The following records shall be kept up to date by the treasurer:

- An electronic cashbook analysing all the transactions in the LVH bank and building society accounts.

2) Payment Procedure

- a) Payments will be made electronically wherever possible.
- b) The treasurer will be responsible for holding the cheque book (unused and partly used cheque books).
- c) Blank cheques will NEVER be signed.
- d) The relevant payee's name will always be inserted on the cheque before signature and the cheque stub will always be properly completed.
- e) No cheques should be signed without original documentation.

3) Income Procedure

- a) All income will be paid into the bank without deduction.
- b) Hiring agreement forms showing conditions of hire, date, purpose of hire, the rate per hour and total due must be signed by the hirer on booking. The bookings secretaries will confirm with the treasurer details of all payments from hirers, to enable electronic payments to be reconciled with bookings.
- c) Cash payments from hirers are checked by the booking secretaries and recorded in a notebook. Once a substantial amount has been collected it is paid into the bank account using the Post Office Cash Account card.
- d) Cash for other events is to be counted by the person collecting it and placed in a bag with a sheet showing source, date, amount and signature of collector; the cash to be handed to the treasurer who should count the cash in the presence of the collector (or other person if collector not present) and confirm the amount.

4) Payment Documentation

- a) Every payment out of the bank account will be evidenced by an original invoice.
- b) 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, deposit for a venue, VAT, etc.
- c) LVH will reimburse expenditure paid for personally by charity trustees or volunteers on behalf of the charity as long as prior agreement to the amount with chair, secretary or treasurer has been agreed in writing. Original receipts are required before payment is made and these should be presented within three months of date. Car mileage is based on local authority scales and checked against Google or Apple maps.

Levens Village Hall Reserves Policy

The charity trustees have set a reserves policy which requires reserves be maintained at a level which ensures that the organisation's core activity could continue for a minimum of one year during a period of unforeseen difficulty. The policy is to ensure unrestricted reserves of between 150% and 200% of annual revenue budget expenditure.

A minimum of 50% of reserves will be maintained in a readily realisable form, in an instant access account.

The calculation of the required level of reserves is an integral part of the organisation's planning, budget and forecast cycle.

It takes into account:

- Risks associated with each stream of income and expenditure being different from that budgeted
- Planned activity level
- Organisation's commitments

Adopted by LVH Trustees: March 2022

Review date: March 2023