

Everton Pavilion

Financial Policy Registered Charity No 294875

The pavilion committee is subject to general charity law and its requirement for strong financial controls. The aim of our financial policy is to provide this control in the most practical and efficient way.

1. Accounts and Financial Reporting

Under Charity Commission rules we do not have to submit annual audited or examined accounts as our income is below the financial limit at which these apply. We do have to make an annual financial report to the Commission showing the overall profit and loss, opening and closing balances. It is, however, good practice to have the accounts independently examined, and it is usually required for applications for grant funding.

1) Our policy is for the annual accounts to be examined by an independent person, not necessarily a qualified accountant but with appropriate experience, agreed by the committee. The confirmed accounts will be made public at the AGM.

2) Throughout the year, the treasurer will issue a financial report to the committee at regular intervals including reporting on the current balance of all the accounts including petty cash. Income and expenditure will be cross-referenced and reconciled to the bank statements and petty cash account record.

2. Bank and Petty Cash Accounts

1) The committee will hold a current account, where our funds will be kept, and if appropriate an associated deposit account. Four people will be authorised to make payments out of these accounts, by online transfer.

2) An amount of petty cash will be held by the treasurer to cover floats, minor expenses and invoiced payments to the likes of the groundsman and cleaner, if and as required.

3. Reserves

It is normal practice for charities to hold an amount in reserve to cover unexpected events, cash flow issues and emergencies.

1) Authorisation of Expenditure

The default position is that expenditure should be agreed in advance by the committee. However, powers are delegated under certain circumstances for practical reasons. In particular:

a) The treasurer is authorised to make payments for regular items

such as utility bills, payments to the cleaner etc without prior reference to the committee provided the amount is within the normal range.

b) Reasonable event expenses without prior permission from the full committee.

c) Members engaged in Pavilion maintenance and housekeeping tasks are permitted to purchase items for this purpose without prior committee approval.

4. Payments

1) All payments must be supported by appropriate documentation (preferably an original invoice), which the treasurer will make available to the accounts examiner at the end of the financial year.

2) Payments will be made by bank transfer whenever practical, rather than cash, in order to maintain a clear and open audit trail. There are occasions when cash is more convenient, for example when minor event expenses are paid direct from cash taken at an event. In this case the purchase invoice must be presented to the treasurer together with the remaining cash.

3) The committee agree that the groundsman can be paid in cash.

5. Committee Members' Expenses

It is generally considered good practice by charities for payments to a supplier to be made direct from the charity account rather than by individual committee members. However, for small amounts or payments which must be made online by credit card this is not always practical. In any case, it is essential for good governance that expenditure by committee members is properly documented, recorded and reported.

1) Approved expenditure incurred by individual committee members will be reimbursed by the treasurer on presentation of the appropriate paperwork (an invoice or other evidence of the expenditure). Expense payments will be made by direct bank transfer.