



Financial Control Policy

The financial control policy consists of:

- Management of financial records
- Banking arrangements
- Receipts
- Cheque payments
- Petty cash payments
- Expenses, payments and honorariums
- Payment documentation
- Staff
- Other rules

Management of financial records

- 1) The financial control policy is designed to ensure that all expenditure is on the Mission Area's business; that it is properly authorised; and that this can be demonstrated.
- 2) Financial records (using Finance Coordinator) must be kept so that the Mission Area:
 - has proper financial controls
 - meets its legal and other statutory obligations (if relevant), such as the Charities Act, Inland Revenue, Customs & Excise and common law
 - meets the contractual obligations and requirements of funders
- 3) The accounts must include:
 - all the transactions appearing on the bank accounts
 - a petty cash book if cash payments are being made
 - Inland Revenue deduction records P11 (if registered for PAYE)
- 4) The Mission Area Treasurer is required to present a balance sheet of the Mission Area for presentation at the next Annual General Meeting (Vestry Meeting) after the end of the financial year.
- 5) Prior to the start of each financial year, the Mission Area should approve a budget for income and expenditure for the year. This could take the form of a simple cash flow forecast for the year and can be produced using Finance Coordinator.

- 6) An updated cash flow forecast or a report comparing actual income and expenditure with the budget should be presented to the Trustee Board (MAC) on a regular basis.
- 7) As required by the constitution, an appropriately qualified independent examiner will be appointed to examine the accounts for presentation to the next Annual Vestry Meeting

Banking arrangements

- 1) The Mission Area will bank with Nat West Bank plc at its Mold Branch and the accounts will be held in the name of RHOS-A-MYNYDD MISSION AREA.
- 2) The bank mandate (list of people who can sign cheques on the organisations behalf) will always be approved and minuted by the trustees as will any changes to it.
- 3) The Mission Area will require the bank to provide statements every month and these will be reconciled with the entries on Finance Co-ordinator at least every three months and the treasurer will spot check that this reconciliation has been done at least twice a year, signing the printed copy accordingly.
- 4) The Mission Area will not use any other bank or financial institution or use overdraft facilities or loan without of the agreement of the trustees.

Receipts

- 1) All monies received will be recorded promptly in Finance Co-ordinator and banked without delay (this includes sundry receipts such as payment for telephone calls, photocopying etc.). The Mission Area will maintain files of documentation to back this up.

Payments

- 1) The aim is to ensure that all expenditure is on the charity's business and is properly authorised and that this can be demonstrated. The latest approved expenditure signatories were agreed at a meeting held on the 2nd June 2025.
- 2) Where possible all payments will be made either online or via the debit card.
- 3) Every payment out of the Mission Area 's bank accounts will be evidenced by an original invoice (never against a supplier's statement or final demand). That original invoice will be retained by the Mission Area and filed.
- 4) Each payment will be authorised by at least two authorised people.
- 5) Payments must not be authorised by the person to whom it is payable.
- 6) The Treasurer will be responsible for holding the cheque books (including unused and partly used cheque books) which should be kept under lock and key.
- 7) Blank cheques will NEVER be signed.

- 8) The relevant payee's name will always be inserted on the cheque before signature and the cheque stub will always be properly completed.
- 9) No cheques should be signed without original documentation (see below).

Petty cash payments

1) Petty cash will always be maintained on a minimal basis whereby the Administration Worker is entrusted with a float as agreed by the Trustees. When that is more or less expended, a cheque will be drawn for sufficient funds to bring up the float to the agreed sum, the cheque being supported by a complete set of expenditure vouchers, totalling the required amount, analysed as required.

Expenses, payments and honorariums

1) The Mission Area will, if asked, reimburse expenditure paid for personally by staff, providing:

- Fares are evidenced by tickets.
- Other expenditure as evidenced by original receipts.
- Car mileage is based on local authority scales.

No cheque signatory will sign for the payment of expenses to themselves.

Payment documentation

1) Every payment out of the bank accounts will be evidenced by an original invoice (never against a supplier's statement or final demand). That original invoice will be retained by the Mission Area and filed. The authorisers should ensure that all payments are clearly referenced with invoice numbers and date of payment.

Other rules

1) An internal review audit will be carried out annually to ensure that all treasurers are carrying out their required duties.

Date Adopted: __14.07.2025_____

Date due for review:__14.07.2027_____