

Bristol Cabot Choir

Financial Control & Investment Policy

Trustees Responsibilities

The Trustees are responsible for preparing The Trustees Report & Financial Statement in accordance with applicable law & United Kingdom Accounting Standards. (UK Generally Accepted Accounting Practice)

Company Law requires the trustees to prepare financial statements for each financial year, which give a fair view of the state of affairs of the charity, application of resources including income & expenditure of the charity for that period. In preparing these financial statements the trustees are required to:

- Select & apply consistently, suitable accounting policies;
- Observe the methods & principles of the Charities SORP;
- Make reasonable & prudent judgements & estimates;
- State whether UK Accounting standards & practices have been followed, subject to any material departures disclosed and explained in the financial statements;

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time, the financial position of the charity. They are also responsible for safeguarding the assets of the charity & hence for taking reasonable steps for the prevention & detection of fraud and other irregularities.

Trustees should monitor costs against the budget and ensure the costs incurred do not exceed the planned budget.

Trustees Position

All trustees give their time & expertise voluntarily & receive no remuneration or other benefits.

Funding & Expenditure to support Objectives

The Trustees have planned expenditure for the year with regard to the society's published objectives whilst also complying with the policy on reserves & within the bounds of sound accounting practice. Detailed records are kept of all income & payments and this is analysed regularly and projected & actual figures are produced for all Trustee meetings.

- The Trustees will annually review the manner & level of payment to our Musical Director & the Répétiteur.
- There is a four year rolling business plan which enables finances to be planned more accurately.
- Our main sources of funding is through membership subs. Additional funding is through the government 'Gift Aid' scheme and through any fund raising events.
- Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Policy on Reserves

All the charity's funds are unrestricted. The choir committee aims to maintain the accumulated fund at a minimum balance of three month's expenditure or around £3000. The level of reserve in conjunction with any insurance policy would ensure that the choir could cover any concert abandonment costs should the need arise

Policy on Deficit Management

There is no allowance for a deficit budget at any point in time. All actions by the trustees must be financially viable.

Investment Policy

The Board of trustees have decided not to invest any reserves at this time. The decision will be reviewed annually at the start of the financial year. The decision will be based on risk to the reserves & on interest rates & charges for investment.

Checks & Examination of Accounts

- All cheques must be signed by two of the five trustees, mandated. No blank cheques must be signed.
- The treasurer is the primary user for online banking & the Vice Chair is a secondary user. The Vice Chair should check the online account at least once a month & report that this has been carried out, at the next meeting, reporting any observations.
- Banking should be carried out promptly
- Budgets & the current financial position must be a standing item at all trustee meetings.

All choir accounts will be examined by an external examiner, qualified for the purpose in line with legal requirements, at the end of the choir financial year (31st August). The External examiners certificate will be reported at the AGM each year.

The Treasurer, directed by the trustees will submit the accounts & accompanying documents required by law, to the Charity Commission as soon as possible after the examination of accounts & within 10 months of the end of the choir financial year.

Reviewed : September 2017

1. The Charity Commission recommends that the following internal financial controls are in place:

- at least two people are involved in handling and recording the money received
- collection boxes are individually numbered and their issue and return is recorded
- all collecting boxes are sealed before use so that it is apparent if they have been opened before they are returned
- all collection boxes are regularly opened and the contents counted
- general public collections are counted in the presence of the collectors and a numbered receipt given to them
- cash collected is banked by the charity as soon as possible without deduction of expenses

For fundraising events the commission recommends that the following controls are in place:

- records are maintained for each fundraising event, in sufficient detail to identify gross receipts or takings and costs incurred
- for all events for which there is ticket income or gate money:
 - (i) that tickets all are pre-numbered
 - (ii) a record is kept of all persons who have been issued with tickets to sell, and the ticket numbers that have been allocated to each person
 - (iii) a record is kept of which tickets have been sold
 - (iv) all money from tickets and any unsold tickets are collected
 - (v) a reconciliation is made of receipts against tickets sold

Where external fundraisers are engaged, the trustees must comply with the requirements of Part II of the Charities Act 1992 ([Charities and fundraising \(CC20\)](#) gives further details).

2. Gift Aid - Controls

Donations made under Gift Aid are treated as if the donor had already deducted basic rate tax from them. The charity can then reclaim this tax to increase the value of a donation. Internal controls help ensure complete and accurate returns are made maximising the value of donations to the charity.

Maximising the value of donations is important for all charities. Internal controls ensure that proper records are maintained reducing the risk of amounts being reclaimed by Her Majesty's Revenue and Customs (HMRC). Accurate records and timely returns ensure the charity receives the tax recovery promptly and with confidence. Full details of the records that must be maintained are set out on the [HMRC's website](#). Other controls recommended include:

- checks to ensure that amounts expected from committed donors have been received
- checks to ensure tax repayments due have been received

3. Role of the Treasurer, Bristol Cabot Choir (Charities Commission, governance, template)

Overall

- Oversee the financial affairs of the organisation and ensure they are legal, constitutional and within accepted accounting practice.
- Ensure proper records are kept and that effective financial procedures are in place.
- Monitor and report on the financial health of the organisation.
- Oversee the production of necessary financial reports/returns, accounts and audits.
- Make fellow trustees/committee members aware of their financial obligations and take a lead in interpreting financial data to them.
- Ensure monies are promptly banked
- Arrange payments to creditors as appropriate and arrange appropriate signatures on payments.
- Make the necessary arrangements to collect payments from debtors

Specifically

- Liaise with trustees/ committee members & MD to ensure the financial viability of the organisation.
- Appraise the financial viability of plans, proposals and feasibility studies.
- Regularly report the financial position at committee meetings
- Oversee the production of an annual budget and propose its adoption at the last meeting of the **previous** financial year.
- Publish the annual accounts as required by current legislation.
- Ensure proper records are kept and that effective financial procedures and controls are in place, ie:
 - Cheque signatories
 - Purchasing systems & limits
 - Payments
 - Member Subs
 - Others as appropriate
- Lead on appointing and liaising with auditors/an independent examiner.
- Undertake bookkeeping duties ensuring posting and bookkeeping is kept up-to-date (*electronic spreadsheet programme used*)
- Regularly carry out reconciliations
- Arrange for the 'Gift Aid' system to be put in place; maintaining the records & systems in line with data protection policy & with current relevant taxation laws.
- Oversee & liaise with the Ticket Secretary in the organisation & selling of concert tickets & ensure proceeds are banked promptly & adequate record systems are maintained.
- Liaise with Making Music & ensure annual membership is paid promptly, including any outstanding PRS payments not covered by venue licence.
- Ensure appropriate insurance cover is attained & maintained (keeping records of the cover)

Qualities

- Knowledge and experience of current and fundraising finance practice relevant to voluntary and community organisations.
- Knowledge of bookkeeping and financial management (as necessary).
- Good financial analysis skills.
- Ability to communicate clearly