

# ELLINGHAM COMMUNITY TRUST



Policy: Financial Records and Accounts

Date: 25<sup>th</sup> February 2024

This Policy Statement is reviewed annually, by the Trustees of the Ellingham Community Trust ("the Trust") and is applicable to all the activities of the Trust.

Financial records must be maintained in accordance with UK charity law, including the Charity Acts, HMRC regulations, and Common Law. These records serve to ensure legal compliance, provide proper financial oversight for trustees, and meet contractual obligations with funders.

The Trust's accounts should comprise:

- A comprehensive system for tracking all transactions conducted through the bank account.

Accounts must be prepared annually within three months of the financial year-end and presented at the Annual General Meeting (AGM).

A report comparing actual income and expenditure should be presented to the Trustees every meeting.

An appropriately qualified independent examiner will be appointed by the AGM to audit the accounts before presentation.

## **Banking Arrangements**

The charity will operate its banking activities with Unity Trust Bank PLC under the name of Ellingham Community Trust. Accounts maintained will include Instant Access and Current T1.

Changes to the bank mandate and account details will be approved by the Trustees and documented in meeting minutes.

Monthly bank statements will be obtained from the bank and reconciled at least quarterly by the Treasurer.

The charity will not engage with any other financial institution or utilise overdraft/loan facilities without explicit trustee approval.

### **Income**

All incoming funds will be promptly recorded and deposited into the bank. Documentation supporting these transactions will be maintained.

### **Expenditure**

Expenditure will be incurred solely for charitable purposes and properly authorized. The approved budget sets limits for expenditure, and signatories on the bank account are authorised accordingly.

### **Payment Documentation**

Every payment from the charity's bank accounts will be substantiated by an original invoice, retained, and filed. The invoice should be referenced with cheque/reference number, date, and amount.

Exceptions may include advance booking fees, venue deposits, VAT, etc., which should be documented accordingly.

### **Expenses/Allowances**

Trustees/staff will be reimbursed for legitimate expenses, provided they are supported by evidence such as tickets or receipts. Car mileage reimbursement will be based on local authority rates.

No signatory shall authorize payment of expenses to themselves.

### **Payment Authorization**

Each payment requires two authorisations and must not be authorised by the payee.

### **Other Governance Items**

The charity will not assume financial liabilities without proper authorization.

In exceptional circumstances, the Chairperson may approve commitments, providing full details at the subsequent Trustees' meeting.

Fundraising and grant applications will be conducted in the charity's name with prior approval from the Trustees.

The charity will adhere to best practices in all its operations.

All ECT trustees and staff are invited to comment on this policy and suggest ways in which it might be improved by contacting the Chairman.

Signed Position

Chair of Trustees: David Metcalfe

Date: 25<sup>th</sup> February 2024

Ellingham Community Trust is a Charitable Trust funded by Wandylaw Wind Farm Ltd to be disbursed for benefit of the community and parishioners of Ellingham.

<https://ellinghamcommunitytrust.org/>