



Financial Procedures

1 Purpose of Document

To define the financial systems used by Natural Kirklees and how they relate to all areas of the organisation.

2. Ordering supplies and services

All volunteers need to be aware that expenditure is committed when an order is placed on behalf of Natural Kirklees, not when the cheque is requested. Therefore, it is important that all orders are placed properly, and are within agreed delegated powers.

Trustees can place orders for goods or services within their budget areas. All orders of £150 or more must be authorised by the Treasurer, except for specific areas of expenditure where written procedures have been agreed (e.g., within agreed budgets and approved projects.)

Any lease, hire purchase agreement or other contract involving expenditure will be subject to authorisation at a Trustee Meeting, with the appropriate expenditure amount being the total committed expenditure over the period of the contract, or where the contract is open-ended, over the minimum length or first 12 months of the contract, whichever is the longest. Large contracts should not be entered into without adequate advice from a relevant professional adviser (e.g., solicitor or accountant).

Orders of £100 or more must be placed in writing (emails are sufficient). Each Trustee will devise appropriate ways of keeping records of such orders which will be agreed by the Treasurer. Suppliers must be requested to produce invoices. If payment is needed on or before delivery or no credit is given, a 'pro-forma' should be provided.

Items requiring cash payment must be agreed with the Treasurer before the arrangement is confirmed.

3. Payment authorisation.

All invoices must be authorised for payment by the Trustee raising the order or the Treasurer. The Trustee or Treasurer is responsible for checking invoices for accuracy in terms of figures and conformity with the order placed, that the services or goods have been received, and following up any problems. The Treasurer must be informed if there are queries delaying authorisation or if payment is to be withheld for any reason. An email confirming the invoice may be paid, is sufficient confirmation from a Trustee to the Treasurer, alternatively the invoice may be passed to the Treasurer with wording "OK to Pay" and the trustee's signature marked on the invoice. Until such confirmation is received the Treasurer will withhold payment

All incoming invoices are to be passed to the Treasurer as soon as they arrive. Once authorised as above, suppliers will be paid within the appropriate timescale.

Charities and individuals will be paid within two weeks of presenting their invoice or receipts.

4. Cheque writing and signing

All payments will be made by Bank Transfer unless payment in advance is the only option. As such, Natural Kirklees will not issue cheques.

5. Handling of cash

All cash collected from the Treasurer will be signed for, and receipts will be issued for all cash returned.

6. Payment by Electronic Transfer, Standing Order or Direct Debit.

As these types of payment do not require dual signatories, the Treasurer is the only person authorised to make such payments but must produce a report of all such payments to the Trustee Meetings and confirmation of their agreement, minuted as authorised.

7. Income

The majority of the income received by Natural Kirklees is from a grant by Kirklees Council. The chair will agree the frequency and amount with the relevant council official and advise the treasurer when to expect the payments. Any other income will be paid to the treasurer by the recipient. All invoices raised by Natural Kirklees will be on headed paper and sequentially numbered.

Outstanding invoice payments will be followed up at least monthly by the Treasurer.

Information about non-routine and all grant income must be passed to the Treasurer with the cheque or remittance advice. This will be filed by the Treasurer for reference and used to ensure such income is correctly recorded in the accounts and grant conditions etc. noted. Lack of documentation will lead to such items being 'held on suspense'. It is the responsibility of the person gaining the grant to ensure all grant income is claimed as it becomes due or available, and that the Treasurer is aware of relevant grant conditions and exactly how the grant is to be expended.

8. Bank accounts

Natural Kirklees bankers are:

Virgin Money bank Sort Code 05-04-69, Account No 17267531

Phone No. 0800 456 1247 or 01419 582457

All income will be paid into the current account as soon as possible, not less than once a week. The makeup of each banking will be clearly recorded, for later entry into the accounts.

Signatories for this account as at 1st June 2025 are Julie Hirst, Ed Day and Joan Vevers.

9. Books of account and records

Proper accounting records will be kept. The accounts system is based around an excel spreadsheet detailing all income receipts and expenditure payments. The spreadsheet will be stored on a Google Drive registered to Natural Kirklees. All income and expenditure documents will be scanned if not received electronically and stored on this drive. The spreadsheet will balance of funds held will be reconciled each month with the bank statements which will also be held electronically on the Google Drive.

All vouchers entered into the accounting system will be clearly initialled by the person entering it, along with date and accounts reference. All income/expenditure information will be recorded within one week

All fixed assets costing more than £250 (or such other level as may from time to time be agreed by the trustees) will be recorded in a fixed assets register by the treasurer. This register will record details of date of purchase, supplier, cost, serial no. where applicable, description, location, trustee responsible for the asset and in due course details of disposal.

10. Budget Setting and Allocating Funds to specific Projects

At the earliest opportunity after the year end, budgets will be discussed and agreed by the trustees, together with any changes of responsibilities and authorities for the individual trustees. The trustees may then spend up to this agreed amount, providing no individual item that could be construed as an asset, is in excess of £250, during the financial year, without further recourse to the other trustees.

11. Financial monitoring and audit

All Trustees will receive appropriate, reports of income and expenditure against budget at each trustee meeting.

The Trustees will receive:

- A snapshot of cash in hand, and a list of any creditors or debtors.
- A report of income and expenditure analysed by agreed categories.
- A report of all payments made electronically / without dual signature
- A report regarding individual budget and project financial status and cash held on behalf of the regular activities.

Natural Kirklees financial year is from 1st October to 30th September. Annual accounts will be submitted for audit, as required under the Charity Commissions regulations and grant conditions, prepared per SORP for Charities and any other relevant accounting conventions. Scrutinised accounts, currently by Wycas will be approved and signed off by the Trustees prior to the Annual General Meeting.



Signed
Trustees

Ed Day – Chair of the

Policy Date – 4th June 2025

Review Date September 2026