



Finance Policy and Procedures

1. The trustees of SYHO share overall responsibility for financial control, safeguarding the funds of SYHO and ensuring that the organisation operates in accordance with the financial powers stated in its Constitution. This document sets out how this responsibility will be exercised and where functions have been delegated to particular trustees or volunteers of SYHO.

In general Trustees must:

- 1.1 act in the interests of the charity and its beneficiaries and its charitable aims
- 1.2 manage the charity's resources responsibly
- 1.3 act with reasonable care and skill
- 1.4 ensure the charity is accountable

2. Trustee Responsibilities

Trustees must:

- 2.1 agree and regularly review their plans for achieving the charity's aims and the finances needed to support them
- 2.2 which funds are restricted - these funds must only be used in the way the donor specified
- 2.3 agree, establish and review financial policies and procedures as regularly as appropriate - volunteers should be involved so that everybody understands the controls in place
- 2.3 set and agree an annual budget which identifies the charity's aims and objectives and how to achieve them - the budget should include the cost of activities and how they will be resourced
- 2.4 monitor financial performance by comparing on a regular basis actual income and expenditure against the annual budget; the agenda should include project reports/financial reviews as a standing item
- 2.5 budget for the full costs of providing any service, applying for grants
- 2.6 agree where funding will come from, and what happens if it stops - trustees should plan for how to reduce or avoid this type of risk by, for example, having several sources of funding and having a reserves policy
- 2.7 plan for an orderly wind up if the charity can no longer function effectively - this means that Trustees will be able to recognise when this point has been reached - plans should cover the future welfare of their beneficiaries (particularly those who are vulnerable), volunteers and the proper disposal of the charity's assets
- 2.8 must prepare annual accounts and a Trustees' annual report in accordance with the requirements and standards that apply to the size and legal structure of the charity
- 2.8 complete annual return on time
- 2.9 update the charity's details whenever something changes, such as a trustee being replaced

- 2.10 keep the charity's passwords safe, particularly if a persons leaves the charity
- 2.11 arrange handover training if someone takes over responsibility for completing the annual return
- 2.12 arrange a trustee meeting to agree the accounts and trustees' annual report within two months of the financial period ending

3. Treasurer responsibilities

The treasurer takes the lead at board level on

- 3.1 making sure SYHO keeps proper accounts
- 3.2 reviewing financial performance, including drafting an initial predictive budget
- 3.3 ensuring policies for finance and if relevant investment are regularly reviewed
- 3.4 ensuring that SYHO has robust and effective financial controls in place
- 3.5 liaising with the Chair Person about financial matters and with the auditor (or independent examiner)
- 3.6 reporting on financial matters at the AGM
- 3.7 Cheque books should be kept by the treasurer where they are not easily accessed or on public view

4. Financial records

Financial records (including back up copies of accounts in a safe place) will be kept in order that:

- 4.1 SYHO can meet its financial obligations
- 4.2 SYHO Trustees can have control of the organisation's finances
- 4.3 SYHO can meet contractual obligations and the requirements of funding bodies

5. Timescale

- 5.1 The financial year for SYHO will end March 31st
- 5.2 Before the start of each financial year, the SYHO trustees will approve a budgeted income and expenditure account for the following year.
- 5.3 A paper comparing actual income and expenditure with the budget will be presented to the SYHO trustees every 3 months

6. Accounts and end of year procedures

- 6.1 Accounts will be drawn up after each financial year within 4 months of the end of the year and presented to the next Annual General Meeting.
- 6.2 The trustees will appoint an appropriately qualified auditor or an independent examiner to verify the accounts for presentation to the next Charity Commission
- 6.3 After the accounts have been verified and signed by the Trustees they will be sent to the Charity Commission and presented at the next SYHO AGM
- 6.4 The trustees will review the appointment of /independent examiner at least every 3 years

7. Bank

7.1 SYHO will bank with Charity Aid Foundation only, where the accounts will be held in the name of Sing Your Heart Out

7.2 The current account will be held with Charity Aid Foundation (CAF)

7.3 All bank accounts held by SYHO must be agreed and approved by the SYHO trustees

7.4 SYHO will not use any other bank or financial institution or use overdraft facilities or invest speculatively unless authorised, approved and minuted by the SYHO trustees

7.5 The bank mandate (list of people who can sign cheques and / or authorise on line payments on the organisation's behalf) will always be approved and minuted by the SYHO trustees as will all changes to it

8. Fundraising, funding bids, tenders, and partnership arrangements

8.1 All fund raising, grant applications and tendering undertaken on behalf of SYHO will be done in the name of the organisation and will generally be based on the full cost of the provision

9. Incoming Monies (Income)

9.1 Receipts

9.1.1 SYHO will ensure that all the income to which it is entitled is received and that this is evidenced

9.2 Designated and Restricted Funds

9.2.1 If SYHO has more than one source of funding, the account should identify each designated or restricted fund and the reason for any restriction

9.2.2 Accounts should have a note to state the amount of any payments that have been made to Trustees, in the form of remuneration or expenses

9.2.3 Accounts should have a note to state the amount of any payments that have been made to volunteers in the form of remuneration or expenses

9.2.4 Accounts should also have a note to state the amount of any payments that have been made to workshop leaders and Music Director in the form of remuneration or expenses

9.2.5 All monies received will be recorded promptly in relevant spreadsheet and banked without delay (note this includes sundry receipts such as payments for telephone calls, photocopying, small donations from individuals etc.)

9.2.6 The Treasurer will maintain files of documentation i.e. letters from funding bodies to back this up

9.3 Fees

9.3.1 SYHO may charge a fee for a conference or appearance at an event using agreed template.

9.3.2 Invoices are presented for fees due to SYHO including reimbursable expenses.

9.3.3 Receipts are given and copies kept.

9.3.4 All fees are directly given to SYHO and costs reimbursed to attendees as agreed.

9.3.5 Travelling expenses may be reimbursed for non-local events.

9.4 Donations

9.4.1 A receipt is given for any substantial single donation, and for funds raised at external fundraising events. A copy of this is kept with the accounts

9.4.2 The Secretary should send a letter of thanks for any large donation or for a fundraising event

9.4.3 A receipt is given, on request, for any donations received at workshops

9.4.4 Donations at workshops are counted by one person and witnessed and checked by another. This is done by trusted volunteers

9.4.5 These two persons then sign the recording sheet showing the total donations to the workshop on each occasion

9.4.6 This money is banked into HSBC . The entries on the donations sheet must tally with the paying in book and bank account records

9.5 Awards and Grants

9.5.1 A grant or an award may be paid by cheque or BACS transfer. Accompanying documentation should be kept with the accounts

9.5.2 Accounts for designated monies from awards and grants for specific purposes should be monitored

10. Outgoing Monies (Expenditure)

10.1 Levels of Extraordinary Expenditure Authorisation

10.1.1 Within the framework the Board of Trustees may authorise any level of expenditure provided that the expenditure is made and recorded at a quorate trustee meeting.

10.1.2 Within the framework any two Trustees may authorise extraordinary expenditure of up to £50

10.2 Payments (expenditure)

10.2.1 The preferred method of payment is by bank transfer. Cheques will also be used when bank transfer payment is not possible

10.2.3 Only authorised Trustees will have access to the cheque book

10.2.4 Blank cheques will NEVER be signed

10.2.5 The relevant payee's name will always be inscribed on cheques before signature. The cheque stub will always be filled in with relevant information

10.2.6 No payments will be authorised or cheques signed without original documentation

10.2.7 Money may only be spent to meet conditions and requirements of the funding bodies and in pursuance of the objectives of the charity

10.3 Internet Purchases

10.3.1 When purchases are made over the internet the charity will ensure that only well know bona fide sites are used for purchasing and that they have appropriate security as illustrated by a lock padlock in the bottom right hand side of the screen when a payment is being made. Such purchases will be properly authorised in a similar way to other purchases.

10.4 Invoices

10.4.1 Invoices should be obtained from the voice coaches monthly in the agreed format and for room hire or other legitimate or agreed expense

10.4.2 These invoices are filed separately e.g. hire of rooms, payments to voice coach

10.4.3 Other suppliers should also be asked to present an invoice for any payment

10.4.4 Alterations should not be made to any invoice. If a change is required, then an amended invoice from the claimant is required

10.4.5 Paper copies will be kept of all invoice and expenses claim forms

10.5 Expense Claims

10.5.1 Except for mileage, expenses are only paid to reimburse money for which receipts are submitted

10.5.2 Each invoice for an expense claim has a number written on it based on the relevant claimants initials e.g. PH16-1 for the first invoice for that claim; KHM16-4 for the fourth one etc.

10.5.3 These numbers are entered in the relevant column on the accounts

10.5.4 Expense claim forms have columns by which different types of expenditure can be claimed and should be filled in accordingly

10.5.5 Expenses are paid for additional long-distance travel at 40p per mile

10.5.6 Expenses for public transport should be accompanied by a receipt or ticket.

10.5.7 Travel expenses are not paid for attending singing workshops, or local meetings.

10.5.8 Expense claims are checked by two people before being paid. The person claiming cannot be one of the checkers or one of the signatories.

10.5.9 Unless it is unavoidable payment for expense claim forms should not be signed by the recipient of the monies. If a recipient has to (by force of circumstances) authorise their own payment this must be agreed by two Trustees

11. The SYHO Accounts File or Folder (Hard Copy)

The accounts folder should contain

- Bank statements,
- Overview and detailed accounts sheets,
- Invoices
- Receipts
- Donations box record
- Copies of documentation to cover grants or awards
- Expense claims and receipts for claims made

- Any financial correspondence besides the above eg copies of funding applications and monitoring forms.

12. Assets

- Video camera & tripod
- Display boards & banners – all groups
- Comb binder
- Laminator

13. Insurance

- Public liability Insurance is paid annually

Policy adopted 4/2/20

Policy due for review 10/21