The Friends of the Parish Church of St. Mary's Old Basing
Registered Charity Number 1051202

INTERNAL FINANCIAL CONTROLS POLICY

11th June 2026

1. Purpose of the Policy

This Policy sets out clear financial controls and procedures to ensure that the financial affairs of The Friends of the Parish Church of St. Mary's Old Basing Registered Charity 1051202 (the Charity) are conducted legally, constitutionally, and within accepted accounting practices. The Policy supports the effective use of resources to achieve the Charity's objectives.

2. Responsibilities

2.1. Members of the Executive Committee (Trustees):

- Overall responsibility for the financial health of the Charity.
- Safeguard the Charity's assets and mitigate financial risks.
- Review and vote on all grant requests from the Parochial Church Council (PCC) for the maintenance of the fabric of St Mary's Church building.

2.2. Treasurer:

- Oversee the day-to-day financial affairs of the Charity, including the 50:50 Club lottery.
- Maintain accurate and transparent financial records in that comply with relevant laws and accounting standards. Government publication "Charity reporting and accounting: the essentials" provides useful guidance: https://www.gov.uk/government/publications/
- Monitor income and expenditure, ensuring funds are used in line with the Charity's objectives.
- Prepare financial reports for Executive Committee meetings.
- Prepare annual accounts on a receipts and payments basis, and liaise with the Independent Examiner to ensure timely submission of financial statements.

3. Financial Records

3.1. Accurate records of all financial transactions will be maintained by the Treasurer in ExpensePlus, including:

- Income: Donations, grants, fundraising income, and other receipts.
- Expenditure: Payments to suppliers, reimbursements, and operational costs.
- Income and expenditure split by Charity event

3.2. Records must comply with Section 130 of the Charities Act 2011, showing:

- All day to day transactions.
- The Charity's financial position, including assets and liabilities.

4. Banking Arrangements

4.1. Bank Accounts:

- The Charity funds are held in current and deposit accounts with NatWest Bank and in the CBF Church of England Deposit Fund. Accounts must be held in the name of the Charity.
- Withdrawals from the deposit accounts (NatWest and CBF Church of England) restricted to only credit the Charity's NatWest current account
- Income from subscriptions to the 50:50 Club lottery to be held in a designated fund, in a separate NatWest account. This account will be cleared at the end of the year to the general fund, keeping enough to cover any outstanding cheques for prizes.

4.2. Authorised Signatories:

- The Treasurer, Secretary, and two other Trustees are authorised to sign cheques and approve transactions.
- Any changes to the bank mandate will be approved and minuted by the Executive Committee, and raised by two authorised signatories.
- All cheques require signatures from two authorised signatories as controlled by the bank mandate. Blank cheques must not be signed.

4.3. Transaction Limits:

- Any withdrawal must be signed by two Trustees to mitigate the risk of unauthorised withdrawals.
- All withdrawal requests from the CBF Church of England Deposit Fund must be signed by two authorised signatories.

4.4. Online Banking:

- All online banking logins to be protected by Two-Factor Authentication.
- Up to date antivirus software to be installed on any device used to manage charity finances.
- Login credentials must not be shared.
- Online transactions over £200 require pre-approval via email from two Trustees.
- All signatories to have access to all online bank accounts.

5. Financial Procedures and Controls

5.1. Income

a) Donations and Grants:

- All income must be recorded in ExpensePlus, including the source, type and purpose of funds (if this is specified).
- Gift Aid claims and other financial submissions to HMRC must be completed promptly.

b) Fundraising:

- Fundraising activities must comply with relevant laws and the Charity's objectives.
- Cash collected during fundraising events must be counted by two individuals and deposited in the bank promptly.

5.2. Expenditure

All expenditure must be recorded in ExpensePlus, including the expense type and supplier / payee name, with copies of all invoices or receipts loaded onto the system.

a) Approval of Payments:

- Payments over £200 must be authorised via email by two Trustees.
- Supporting documentation (e.g., invoices or receipts) is required for all payments

b) Reimbursement of Expenses:

- Reasonable out-of-pocket expenses for Trustees and other volunteers are reimbursed in accordance with the process outlined in the Expenses Policy.

c) Grants to the PCC:

- All grants to the PCC must be made to the PCC, not to suppliers engaged by the PCC.

5.3. Reconciliation and Oversight

- Bank accounts are reconciled monthly within fourteen days of the calendar month's end.
- A trustee who is not responsible for making payments to check the bank statements monthly, verifying that all incoming and outgoing transactions match internal records.

6. Audit and Compliance

6.1. Independent Examination:

- Annual accounts must be examined annually by an Independent Examiner who is appointed at the Annual General Meeting (AGM), as required by the Charities Act 2011.
- Examination findings are reported to the Treasurer and acted upon.

6.2. Legal Compliance:

- The Charity must comply with all relevant laws, including the Charities Act, tax regulations, and fundraising standards.

7. Financial Reporting

7.1. The Treasurer must present financial updates at regular Executive Committee meetings, including:

- Income and expenditure reports.
- Asset and liability statements.

7.2. Annual accounts which have passed examination by the Independent Examiner to be presented at the AGM, and filed with the Charity Commission in a timely manner.

8. Risk Management

7.1. Fraud Prevention:

- Dual authorisation for payments and regular financial reviews reduce the risk of fraud.
- Trustees must periodically review financial procedures to identify potential vulnerabilities.

7.2. Event Risk Assessments:

- Financial and operational risks for events must be assessed, and adequate insurance maintained.
- Trustees have a formal responsibility to report any suspected financial fraud or other financial irregularities to the Chairperson, Treasurer or other Trustee.

9. Review of Policy

This Policy will be reviewed annually by the Executive Committee to ensure it remains fit for purpose and complies with legal requirements. Any amendments must be approved by the Executive Committee and communicated to relevant stakeholders.

This Policy has been approved and authorised by the Executive Committee on 11th June 2026.

Name: Matthew Jarrett
Position: Chair of the Executive Committee

Date: 11th June 2026

Signature: