



Alconbury Recreation Field Charity (ARFC)

Financial Controls Policy and Procedure

1. Purpose and Scope

This Financial Controls Policy establishes clear procedures to:

- Ensure compliance with the Charities Act, HMRC regulations, and any funder requirements.
- Protect the Alconbury Recreation Field Charity's (ARFC) assets and funds from error, misuse, or fraud.
- Provide trustees with clear guidance on financial governance.
- Support accurate and transparent financial reporting.

This policy applies to all trustees, staff, and volunteers involved in handling the ARFC's finances.

Note: The finances of the Alconbury Sports and Social Club (ASSC) are entirely separate and are managed by ASSC. However, income received by ARFC from ASSC (e.g. rental payments) is covered by this policy.

2. Responsibilities

Role	Responsibility
Trustees	Overall accountability for financial governance and policy approval.
Treasurer	Day-to-day oversight of financial controls, reporting to trustees.

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Chairperson	Can authorise urgent expenditure within agreed limits, reporting to trustees.
All Signatories	Ensure all payments are properly authorised and documented.
Administrator/Staff	Maintain accurate records, receipts, and support the Treasurer in reporting.

3. Financial Records and Accounting

1. Maintain **complete and accurate records** including:
 - Cashbook of all transactions
 - Bank reconciliation log (monthly)
 - Petty cash record (if used)
 - Payroll records (if the charity has employees)
2. **Annual accounts** will be prepared within 3 months of year-end and presented to the AGM.
3. **Budgeting and reporting:**
 - Trustees approve the annual budget before the start of the financial year.
 - Quarterly financial reports compare actuals vs. budget and are presented to trustees.

4. Banking and Cash Handling

1. The ARFC will maintain accounts with a UK bank approved by the Trustees
2. Bank mandate (authorised signatories) will be approved and minuted by trustees.
3. Bank reconciliations will be completed monthly and reviewed by the Treasurer.
4. Cash received will be banked promptly; no cash will be used for direct payments.

5. Income Management

- All income (donations, grants, event proceeds) will be:

1. Recorded promptly.
 2. Banked without delay.
 3. Supported by receipts, remittance advices, or grant award letters.
- Fundraising and grant applications must be approved by trustees or, in urgent cases, by the Chair with retrospective trustee reporting.

6. Payments and Expenditure Controls

6.1 Authorisation

- Payments will only be made with proper authorisation and supporting documentation.
- Spending must align with the approved budget unless trustees approve otherwise.
- No trustee may authorise payments to themselves or connected parties without full board approval (minuted).

6.2 Cheque Payments

- Require two authorised signatories.
- No blank cheques will be signed.
- Cheque stubs must be fully completed.
- Signatories cannot sign cheques payable to themselves.

6.3 Electronic Banking

- All online payments require dual authorisation.
- Login credentials (passwords, PINs) must remain secure.
- An audit trail of all electronic transactions will be maintained.
- Trustees and staff using online banking must complete basic security training.

6.4 Supporting Documentation

- Original invoices or receipts are required for every payment.
- Exceptions (e.g., deposits or VAT) require a payment requisition form.

6.5 Petty Cash (if used)

- Managed on an imprest system with a fixed float.

- Reimbursements require receipts and will be logged.

6.6 Expenses and Mileage

- Reimbursed only with valid receipts or mileage logs (using local authority rates).
- No individual may authorise or sign off their own expenses.

7. Asset Management and Financial Commitments

1. Trustee approval (minuted) is required for any commitment above £500
2. Urgent commitments above £500 may be approved by the Chair and Treasurer between meetings, provided it is reported to and minuted at the next trustee meeting.
3. A fixed asset register and property record will be maintained for all items of significant value.

8. Oversight and Audit

1. An independent examiner (or auditor if required) will be appointed annually at the AGM.
2. Trustees will review financial controls annually to ensure ongoing compliance.
3. This policy will be reviewed every 2 years or sooner if regulations or operations change.

9. Revision and Version Control

Signed on behalf of the Trustees:

Name: C. Bodley

Role: Chair

Date: 22nd October 2025

Date Approved: 22nd October 2025

Review Due: October 2026 Revision No 1

Signed (Chair): C. Bodley

This version is **audit-ready** because it:

- Includes a **responsibility matrix**.
- Has a **clear review schedule**.
- Contains a **version control table** to track updates.
- Demonstrates active management of financial procedures for compliance purposes.