# TEESDALE DAY CLUBS
# Policy Document
# Number 03 Issue 09

## Financial Control Policy

## Introduction

Teesdale Day Clubs may, under the terms of its constitution, secure funding from a variety of sources to support its operations; these include grants, charitable funding, donations, and member contributions, as well as fund raising activities such as raffles and collections. It is important that this money is used in the most effective way to benefit our service users according to the objects within our constitution. It is equally important that all monies are accounted for and that records are auditable to demonstrate financial probity and adherence to the requirements of Common Law, the Charity Commission, funders and His Majesty's Revenue and Customs (HMRC).

## Principles

### General

- The Board of Trustees are responsible for the integrity of the finances and accounts of the charity and for meeting statutory and regulatory requirements relating to the financial operations.
- The Finance and Risk Committee (F&RC) has delegated authority from the Board of Trustees to review and monitor the financial affairs of the charity.

### Record keeping and probity

- Accurate, and up-to-date records of all receipts and payments will be kept and reconciled monthly against creditors, debtors, and bank transactions.
- The Treasurer, together with the Strategic Manager, will report to the F&R committee and the Board on a regular basis, incorporating both an update of expenditure against budget together with a cash flow forecast. When specifically requested the Treasurer will provide additional financial information within a reasonable agreed time frame.
- The Treasurer, in conjunction with the Strategic Manager and Independent Examiner, shall carry out an annual review of the internal financial controls of the charity and report to the Board of Trustees that this has been undertaken. Any issues or changes required will be notified to the Board for approval.

## Reserves

- Reserves are that part of a charity's unrestricted funds that is freely available to spend on any of the charity's purposes. The charity will maintain free unrestricted reserves to provide:
  - a level of working capital that protects the continuity of our work
  - a level of funding for unexpected opportunities
  - cover for risks such as unforeseen expenditure or unanticipated loss of income.
- Trustees will consider the level of reserves that is prudent when agreeing the annual budget. Consideration will be given to future strategy, potential redundancy liabilities, and any other significant factors that should be taken into account if the charity were to close or move to new premises.
- The specific reserves policy, including any designation of reserves for specific purposes, will be agreed by Trustees on an annual basis and outlined in the annual report.
- The sum designated solely for the purpose of paying staff redundancy and organisation winding up costs is a Designated Fund and shall be identified within the financial statement of the organisation as Restricted. The amount set aside will be reviewed at least annually by the Treasurer and by the Board of Trustees.

## Funding received and investment policy

- The charity will seek funding from all appropriate sources to finance its operations.
- Monies raised for a specified purpose will be restricted funding and used only for the intended purpose unless permission to divert its use has been agreed beforehand with the funder and approved by F&RC.
- Where funding is not immediately required to meet current expenditure and cash flow, funds may be moved into an interest paying savings account with agreement of the Board of Trustees. Movement into and out of the savings account must be approved by a quorate number of trustees (2 trustees).

## Lunch Club Funds

- Members and volunteers of each individual club regularly and voluntarily contribute funds through raffles, '50p clubs', and similar voluntary

donations. These funds are collected and managed by either a member of staff, a designated member, or club volunteer. Donations are deposited in a bank account held in the name of the club and are used to fund club trips and other club specific purposes. This engenders a positive sense of inclusion and belonging to the club that enhances social interaction and wellbeing.

- At the accounting year end, the individual club bank account transactions and the year-end balances will be reviewed by the FA.
- Individual clubs occasionally receive funds from donors for the purpose of supporting specific activities. Where donation terms allow, clubs may agree to transfer this funding into the main charity current account to contribute to the actual running costs of their club.
- The expectation is that the value of each club fund will not exceed £2000. Where this limit is exceeded the F&RC will consider risks to sustainability and agree with individual clubs for money to be transferred to support actual club running costs.
- Funds held by each club will be reviewed and validated at the accounting year end by a club member/volunteer with the appropriate experience and will be reported to the FA for final approval. The total of club funds will be declared in the accounts declaration within the Annual Report.

This policy will be reviewed every 3 years or when changes are needed.

**Approved by the Board of Trustees and signed on their behalf by the Chair:**

**Last reviewed: 05/02/2026**