

# **Bonsall Village Hall Management Committee**

## **Finance and Procurement Policy**



Reviewed 6.1.25 v3

The aims of the policy are to ensure robust governance with regard to Bonsall Village Hall (BVH) assets.

### **Administration of the Policy**

For the purposes of this policy, it is to be understood that the Trustees empower Bonsall Village Hall Management Committee (BVHMC) with the day to day Finance and Procurement procedures for BVH.

### **Finance**

1. The aim is to operate BVH on a sustainable revenue basis and to apply all revenues to the upkeep and maintenance of BVH.
2. The BVHMC will manage the assets of the charity in accordance with the BVH Trust Deed.
3. The Trustees will ensure BVH property is insured with a reputable Insurance Company on an 'All Risks' basis for its full rebuild value. The sums insured shall be reviewed prior to the policy renewal date.
4. Financial records shall be kept to ensure that BVHMC shall meet its legal and other obligations under Charity Law and HMRC and Common Law.
5. The financial year will end on the last day of June and the accounts for each financial year (1 July - 30 June) will be drawn up and approved by the Trustees at the Annual General Meeting (AGM) held in September and prior to being presented to the Charities Commission.
6. The accounts will be independently examined should the gross annual income exceed £25k, in accordance with the Charities Commission guidelines, and as agreed by BVHMC prior to the AGM.
7. The Trustees and BVHMC will approve an income and expenditure budget prior to the start of each financial year and financial performance will be monitored at BVHMC meetings.
8. The Trustees shall approve a Reserves Policy and determine the extent and nature of reserves designated as Restricted Funds.
9. All funds shall be held in accounts in the name of BVH at such banks and on such terms as the Trustees and BVHMC shall decide. All cheques and transfer documents shall require the signatures of 2 members of BVHMC.

10. The Treasurer shall present a financial status report at each BVHMC meeting and a financial summary at the end of the financial year (30 June).
11. All expenditure shall be properly authorised and documented and all income shall be paid into the bank promptly.
12. BVHMC shall undertake a financial risk assessment of all BVH activities and review it annually.

## **Financial Procedures**

1. An account book or spreadsheet recording date/item/income/expenditure shall be kept by the Treasurer and used to record all BVH income and expenditure.
2. All payments will usually be made by cheque or BACS transfer. The Treasurer will be responsible for holding all cheque books (used, unused and partly used) which will be securely stored. Blank cheques will never be signed. The relevant payee's name will always be inserted on the cheque prior to signature and the cheque stub always fully completed. All payments out of the bank accounts will be evidenced by an original invoice or receipt.
3. All income shall be paid promptly into the bank without deduction. Cash is to be counted by the person collecting it and handed to the Treasurer who will check and confirm the amount. No cash will be kept on BVH premises.
4. For regular bookings of BVH, the hirer will arrange the booking with the Bookings Secretary and confirm in writing the dates, purpose of hire, rate per hour and total due, an invoice will then be issued by the Bookings Secretary. Upon receipt of payment, the Treasurer will record the booking as paid and the Bookings Secretary will contact the hirer and confirm in writing.
5. For private hire of BVH, all hirers must complete a bookings form showing conditions of hire (date, purpose of hire, rate per hour and total due) supplied by the Bookings Secretary. The Bookings Secretary will then issue the hirer with an invoice. Bookings will not be considered confirmed until payment has been received. Upon receipt of payment, the Treasurer will record the booking as paid and the Bookings Secretary will then contact the hirer and confirm this in writing.

## **Financial Authority**

The Treasurer may:

- Pay utilities bills and insurance cover for BVH after prior agreement with BVHMC.
- Make minor purchases (e.g. accounting materials, stationary etc.) for necessary administration purposes up to the value of £50.

A quorum of BVHMC may agree and settle bills for maintenance and repair up to the sum of £1,000 provided such funds are available.

The full BVHMC may procure services and purchase any asset under any contract which it considers is within the Charitable Objectives of the Trust, after due consideration and consultation with the Trustees, and provided the funds are available.

## **Procurement**

BVHMC acknowledges the 4 principles of procurement in accordance with the UK Procurement Regulations:

1. Transparency - Keeping all documents and recording decisions in such a way as to ensure that the process can be seen to be fair and transparent.
2. Equality of treatment - All potential suppliers have the same opportunity to quote for and supply goods and services regardless of where they are based.
3. Proportionality - Contracts or specifications do not require information that is not pertinent to the delivery of the goods and services being purchased.
4. Mutual recognition - Awards of contracts are not based solely on geography, previous contractual arrangements etc.

Where procurement is for minor services for less than £1,000 per annum, this will be done in accordance with BVH Finance and Procurement Policy and BVHMC will ensure the contractor carries out the work as specified in the contract in compliance with BVH H & S procedures and represents the best value for money.

Minor services may be procured under the tendering process or single or sole supplier basis, whichever is considered more appropriate.

If the minor services involve entering into a term contract, then the approval of the full BVHMC is required.

Where procurement is for contract of services greater than £1,000 per annum BVHMC will obtain more than one quote from suppliers, based on a specification. BVHMC will make it clear what has been taken into consideration when selecting the supplier that is most appropriate to the VH and who maximises value for money.

When it is not reasonably practical to obtain more than one quote, then a supplier may be selected on a 'single source' or 'sole source' basis after due consideration and approval by BVHMC.

Procurement of contract and minor services, purchase of single items and payment of standard bills are subject to financial controls in the procedure.

On completion of any works BVHMC shall ensure that the work has been completed to their satisfaction and that the work site is safe before recommending payment of funds by the Treasurer.