



# **Hinderclay Village Hall Financial Policy**

## **Hinderclay Village Hall Management Committee Obligations**

The Village Hall Management Committee is responsible for the Financial Welfare of the Village Hall Funds. The Management Committee is also responsible for the proper conduct of the Hall and its Financial Management.

The Village Hall Management Committee has delegated the day to day running of the accounts and banking procedures to the Treasurer.

The Village Hall Management Committee accepts that there is a need for transparency in all its dealings, especially Financial, and therefore produces accounts for the Annual General Meeting, which is open to ALL residents and also publishes the necessary details on the Charity Commission website annually.

Hinderclay Village Hall has charitable status and therefore needs to keep proper accounting records and retain them for six years.

Record's must include:-

- Invoices (receipts for cash purposes) for all payments, these should be endorsed with date of payment, cheque number, amount and initials of signatories.
- Income vouchers – showing date of event, source of income, amount and name of person receiving it, copies of hiring agreements with all the details of the hirer and copies of any associated invoices, properly endorsed with date and cheque details.
- Bank or other statements for ALL accounts', Bank paying in books used or partly used, Cheque books used or partly used, Cash book.
- Analysis book or computer monthly print out,
- Minute Book or copy minutes indicating financial decisions,
- Minutes of AGM, Annual Statements with independent examiners report and Annual Charity Commission return.

## **Management Committee Financial Policy - General Statement**

The Hinderclay Village Hall Management Committee is expected to be prudent in its actions to ensure that the Charity is financially sound.

The Committee is in fact managing a business, whose principal income is hiring the hall.

The main expenses relate to the day to day running costs, service charges, insurance and licenses and the cost of maintaining the fabric of the building and its associated grounds (car park, playing field, ditch, hedge, etc) in such a way as to make it a welcoming venue for Community activities.

The Committee is fully aware that operating without a sound business/organisational plan and making financial decisions without up to date and accurate financial records is not prudent or advisable.

Good practice demands financial planning integrated with wider organisational planning, good management practice, proper risk assessment and a sound framework within which decisions can be taken.

The Committee therefore has undertaken a review of Financial Practices and produced a well-balanced and comprehensive Financial Policy.

## **Policy Statement**

The Management Committee of Hinderclay Village Hall accept the following statements as their Policy on Financial matters: -

1. The Trustees (i.e. The Management Committee) will manage the assets of Hinderclay Village Hall in accordance with the Trust Deed governing the conduct of the charity and the Policy Documents agreed by the management Committee.
2. The Committee will protect the assets of Hinderclay Village Hall by insuring them against all risks with a reputable Insurance Company. Insurance to cover full rebuild value, loss of income, theft of property, false accounting and any other area deemed appropriate. This insurance to be reviewed annually. The insurance should cover and protect the Committee, its Officers and the Public from risk.
3. All financial records will be kept in accordance with Charity Law, Revenue and Customs Law and Common Law to ensure the Committee meets its legal and other obligations.
4. The Financial Year will end on the 30<sup>th</sup> September and accounts for each Financial Year will be drawn up and approved by the Committee prior to being presented to the Annual General meeting in November.
5. The accounts will be examined independently by a professional and competent person appointed by the Committee on an Annual Basis to audit within six months of the Financial Year end.
6. The Committee will monitor the income and expenditure and budgeting of Hinderclay Village Hall on a monthly basis and also on an annual basis when determining Hiring and Leasing charges.
7. The Committee shall approve a reserve policy, to cover one year's expenditure where possible, and determine the extent and nature of the reserve designated as restricted funds. All funds to be held in such a way that the Capital is never at risk.
8. All funds will be held in accounts in the name of Hinderclay Village Hall at such banks and on such terms as the Committee shall decide. All cheques or electronic payments must be authorised by two of the three signatories. Exceptional payments - as opposed to expected operational costs, such as utilities, must be made in accordance with Committee wishes and amounts documented prior to payment.
9. The Treasurer will present a financial report to every meeting of the Trustees, unless circumstances prevent this. The format and content of the report should be approved by the Committee in consultation with the Treasurer.
10. All expenditure shall be properly authorised and documented, and all income paid into the bank without unnecessary delay.
11. The costs involving Training Courses or representing the Hinderclay Village Hall Management Committee at any meetings, including travelling costs (at current mileage rate) and reasonable out of pocket expenses covered by a receipt, will be reimbursed by the Committee.

12. No money will be left on the premises overnight and no hirer should leave money unattended. Any money found on the premises should be reported to a member of the Committee, who will immediately make enquiries as to ownership. A record of the finding should be made with the finder. If no owner is found the money will be deposited in the Hinderclay Village Hall Bank Account as a miscellaneous item, and returned to the owner if and when they are discovered.
13. The Committee will undertake a risk assessment of all activities including Finance and review them annually.
14. The Committee will review its Financial Policy at the meeting immediately following the Annual General Meeting.



# Hinderclay Village Hall Procurement Policy

This document sets out the principles and procedures that will be applied by the HVHMC (the Trustees) to the procurement of goods and services for the benefit of HVH.

Procurement is the purchase of any works, assets, goods or services for the Hall and associated grounds. The Trustees will always, when undertaking any Procurement, adopt a process that is open and transparent and has regard to the Charitable purposes and nature of the Hall. The aim of this internal control system for the obtaining of goods and services is to ensure that purchases made by or on behalf of the Hall are:

- Necessary, appropriate and justifiable in the context of the Hall's financial position from time to time.
- Properly understood by the Trustees and accurately defined to providers.
- Handled by individuals having skills in evaluating what purchases are required.
- Taken from suppliers offering the best overall terms (not necessarily determined solely by price unless so agreed by the Trustees).
- Do not exceed the budget provided and approved as set out further below and are delivered in accordance with the specification and on the agreed terms.

## 1. Objectives of this procurement policy

The key elements of HVH Procurement Policy are:

1. To maintain the highest ethical standards in procurement matters, to minimise the risk of fraud.
2. To ensure the correct goods or services are purchased, in terms of the correct quality and specification
  - To achieve best value for money.
  - To act with integrity and transparency.
  - To ensure that any applicable grant conditions are complied with.
  - To act fairly towards suppliers and in the interests of the Hall and its' users.
  - To promote equality, diversity and sustainability throughout the procurement process.

## 2. Scope

For all purchase transactions, (subject to any more restrictive requirements that may be imposed by any applicable grant funding conditions), the following thresholds set out below will be applicable. When calculating the contract/purchase value, for a one-off purchase, the total cost of the good(s) or service(s) will provide the contract value. If the purchase is a recurring spend, the Trustees will calculate the value over 4 years to establish the total contract value. The values quoted here exclude VAT.

Where there is a requirement in this Policy for a number of quotations to be obtained, this is an obligation to use reasonable efforts to obtain such quotations, where this is not practicable or possible the Delegated Person (being a Trustee appointed or designated as such by the majority of the Trustees or by the Chairman for the purpose) shall evidence the attempts made and advise the Trustees accordingly.

Up to £150:	The Treasurer and the Chairperson acting jointly shall be permitted to authorise day-to-day expenditure and routine payments. Wherever possible purchase payments shall be transacted through the Hall's online banking system or by the Treasurer, in exceptional circumstances, or where such a process is not practicable, approved one-off purchases or payments may be made by Trustees as necessary and supported by appropriate receipts to allow reimbursement if required.
£151 - £299:	To facilitate efficient administration, the Delegated Person may obtain three informal quotes over the phone, but these must be recorded and recorded with the Treasurer.
£300 – £2,999:	The Delegated Person shall obtain not less than 3 (three) email quotes and details provided to the Treasurer who shall keep a record of all quotes received. If quotes are within the pre-approved budget and meet any specified requirements of the procurement specified by the Trustees, the Delegated Person may accept the best offer.
£3,000 - £9,999:	The Delegated Person must obtain three written quotations supported by any associated terms of supply warranties or other associated matters proposed by the prospective supplier. Details shall be provided to the Treasurer as a matter of record and to the Trustees for consideration. Any decision on selection shall be a matter for the Trustees acting by the majority and recorded in writing.
£10,000 and above:	Any expenditure in excess of £10,000 must be considered by the Trustees in meeting and approved by the majority of Trustees in attendance at the meeting. Any proposed purchase shall be subject to not less than three written quotations supported by any necessary supporting documents and a report (which may but need not) include a reasoned recommendation from the Delegated Person for consideration by the Trustees.

### **3. Key Principles**

#### **To Maintain the Highest Ethical Standards**

- The Trustees shall maintain the highest standards of ethical behaviour and financial probity.
- The Trustees shall maintain a zero-tolerance policy towards bribery.
- Trustees must not accept any gift, reward or hospitality from any organisation or individual with whom they have contact during their activities as a Trustee or any other inducement either for doing something or not doing something in their official capacity.
- In the event of a conflict of interest, which occurs if a Trustee has an interest in an organisation providing goods or services to the Hall, that interest must be declared in writing at the earliest possible opportunity to the Trustees and recorded by the Treasurer.

### **4. Determining How to Achieve Value for Money**

There are 2 main aspects that impact on value for money in terms of purchasing goods and/or services:

1. Product specification – quality and quantity.
2. Source of supply – right time, right place, right price. In connection with the purchase of goods and/or services for the Hall Trustees must be clear on how to develop an output-based specification for a product. This usually includes:
  - Purpose of goods or services.
  - Necessary characteristics (size, finish etc.).
  - Life span.
  - Equality/accessibility issues.
  - Reliability.
  - Installation arrangements.
  - Technical concurrence.
  - Maintenance arrangements.
  - Lifetime costs.

Where it is considered that the Trustees do not themselves possess a sufficient technical knowledge to enable a properly informed specification to be prepared or to assess any submitted tenders the Trustees shall invite external support as necessary.

When selecting from tenders made the Trustees will have regard to the best balance of price, quality, technical performance and longevity that may be most appropriate to the procurement under consideration from time to time.

### **5. Third Party Interests**

In any circumstances where purchases are proposed to be made as part of a project that is wholly or partially supported by funding provided by third parties, the Trustees shall ensure that any requirements in relation to expenditure imposed by such third parties are satisfied notwithstanding anything that may be provided in this policy that may conflict with those requirements.

## **6. Terms and conditions of supply**

The Hall will generally be required to accept the terms of supply offered by suppliers, but where significant purchases are proposed, the Trustees shall seek to negotiate any specific terms of supply that it deems necessary and require that prospective suppliers quote, on the basis of any particular requirements that may be specified.

In accepting any standard terms of supply the Trustees shall satisfy themselves that such terms are not onerous, non-standard, or unreasonable prior to approving any purchase.

## **7. To Act Fairly Towards Suppliers**

The Trustees will try to ensure that small and medium sized enterprises (SMEs) have fair and equal access opportunities to supply the Hall in order to provide a fair and open approach to tendering.

The Hall may participate in any aggregated purchasing arrangement that is compatible with the objectives and ethos of this Policy. Any such participation shall not relieve the Trustees from applying the terms of this policy in relation to the activities of the Hall.

The Hall is a small organization but will from time to time engage with Public Sector Bodies or larger funders that will require processes and standards of the Hall that ensure that their own internal and statutory responsibilities can be satisfied.

The Trustees will, where possible:

- Facilitate understanding of public sector procurement policy and legislation by the Trustees.
- Ensure that the approach to significant individual contracts and framework agreements, is supported by a sound business case.
- Keep the tender process as simple as possible, but consistent with achieving value for money, to help minimise costs to suppliers.
- Offer meaningful feedback to suppliers on the evaluation of their proposal at the end of the tendering process.
- Support training for Delegated Persons to develop consistency in the use of best practice procurement.

The Hall aims to pay suppliers for goods and/or services within 30 days of receiving an invoice (with no invoice being deliverable prior to the acceptance of goods).

## **8. To promote Equality, Diversity and Sustainability**

The Hall has a statutory duty to outlaw disability, race and gender discrimination in all its functions, as set out in the Hall's Equalities and Diversity Statement and Policy. The Trustees will ensure that the purchase of goods, services and facilities is undertaken in line with these equality and diversity commitments.

The Trustees will not use suppliers who do not share our values on equality of opportunity and diversity. In all cases the general equality duty requires Trustees and its contractors to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Equality Act 2010.
- Advance equality of opportunity between people who share a relevant protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

The Trustees will, in making purchase decisions, have regard to the environmental impact of their decisions and choices. The Trustees have the ambition to continually reduce the environmental impact of the operation of the Hall and to increase the sustainability of the Hall. Energy efficiency, delivery miles and environmentally friendly policies adopted by prospective suppliers are all matters that the Trustees may consider when evaluating offers to supply the Hall.

## **9. Governance and Audit**

The Hall is responsible for establishing arrangements for ensuring the proper conduct of its affairs, including conformance to standards of good governance and accountability regarding procurement.

The Treasurer, the Chairperson and Committee will review its Financial Policy at the meeting immediately following the Annual General Meeting.

### **Abbreviations:**

HVHMC – Hinderclay Village Hall Management Committee

HVH – Hinderclay Village Hall

MC – Management Committee

AGM – Annual General Meeting