

FINANCIAL CONTROLS & RESERVES POLICY

FINANCIAL RECORDS AND ACCOUNTS

1. Financial records must be kept so that:
 - a. The organisation meets its legal and other statutory obligations, such as Charity Acts, His Majesty's Revenue & Customs and common law.
 - b. The trustees have proper financial control of the organisation.
 - c. The organisation meets the contractual obligations and requirements of funders.
2. Xero, our software accounting system, is used to reconcile all the transactions appearing on the bank accounts
3. Accounts must be drawn up at the end of each financial year within 3 months of the financial year end and presented to the next Annual General Meeting.
4. Prior to the start of each financial year, a proposed budget will be created and shared with the Trustees.
5. A financial report will be prepared and presented to the trustees at Trustee meetings every 4 months or whenever meetings take place. The report should compare the actual income and expenditure with the budget.
6. The AGM will appoint an appropriately qualified auditor/independent examiner to audit or examine the accounts before presentation to the next AGM.

BANKING

7. The Charity will bank with HSBC Bank plc at its Blandford Forum Branch and accounts will be held in the name of CRESS UK.
8. The bank mandate (list of people who can sign cheques on the organisations behalf) will always be approved and minuted by the trustees as will any changes to it.
9. CRESS UK requires the bank to provide statements every month and these will be reconciled within Xero at least every three months and the treasurer will spot check that this reconciliation has been done at least twice a year.
10. The charity will not use any other bank or financial institution or use overdraft facilities or loan for making payments without of the agreement of the trustees. The trustees have

approved accounts with PayPal, CAF, Stripe, Go Cardless and Stewardship for receiving donations.

INCOME

11. All monies received will be recorded promptly in Xero and banked without delay (this includes sundry receipts). The Charity will maintain files of documentation physically or on Xero.
12. CRESS UK commits to ensuring restricted funds, which are given to CRESS UK for a specific, or restricted, purpose, are spent in accordance with the purpose for which it was given. Restricted gifts are classified as such in the Xero accounts.
13. CRESS UK can accept anonymous donations, but the Office team will report any suspicious circumstances. CRESS UK will report a serious incident to the Charity Commission if an anonymous donation of £25,000 or more is received. CRESS UK will refuse donations that are from illegal sources or come with illegal conditions.

PAYMENTS (EXPENDITURE)

14. Expenditure is only made on the charity's business and is properly authorised and evidenced.
15. The CEO and Office manager are authorised by the trustees to make routine international payments of budgeted salary, education and project costs of salary and education up to £25,000.
16. Any one-off payments over £10,000 must be approved in advance by two trustees via email.
17. The HSBC online banking system is only accessible by CEO and Office Manager, and they can raise payments individually as the bank does not currently have dual authorisation for international payments.
18. Non regular payments of not more than \$1000 can be made more cost effectively through Western Union. The CEO is authorised to use a Western Union account for this purpose.
19. The CEO will be responsible for holding the cheque books (including unused and partly used cheque books). Blank cheques will NEVER be signed. The relevant payee's name will always be inserted on the cheque before signature and the cheque stub will always be properly completed.

PAYMENT DOCUMENTATION

20. Every payment out of the Charity's bank accounts will be evidenced by an invoice or receipt. The original document will be retained by the Charity through filing on Xero.

21. Expenses / allowances. CRESS UK will, if asked, reimburse expenditure paid for personally by staff, providing:

- a. Fares are evidenced by tickets.
- b. Other expenditure is evidenced by original receipts.
- c. Car mileage is based on local authority scales.

OTHER RULES

22. The Charity does not accept liability for any financial commitment unless properly authorised.

23. All fundraising and grant applications undertaken on behalf of the organisation will be completed in the name of the Charity and approved by the CEO who will provide full details to the next trustee's meeting.

24. The Charity will adhere to good practice in relation to its finances at all times, e.g. when relevant it will set up and maintain a fixed asset register stating the date of purchase, cost, serial numbers and normal location of assets. Additionally, the Charity will maintain a property record of items of significant value, with an appropriate record of their use.

25. Fraud and cyber-crime are a considered risk. CRESS UK requires all staff to immediately report any incidents or suspicions of fraud, bribery or corruption to the CEO or Trustee.

26. Any serious incidents are to be immediately reported to the CEO or Trustees for their consideration.

RESERVES

27. CRESS UK understands that our supporters want our resources to be used in the most efficient and effective manner achieving maximum impact for our beneficiaries. The Trustees aim to maintain unrestricted bank balances at a level which will provide sufficient funds to ensure that charitable activities, support and governance costs are covered for 3 months.

INVESTMENT POLICY

28. CRESS UK financial staff may invest any surplus funds based on the following criteria:

- a. Stocks and Shares investment is considered inappropriate due to their long-term nature.
- b. Investments in long term deposit accounts are likewise considered inappropriate.
- c. Short-term investments may be paid into savings accounts at the discretion of the CEO and Trustees.

CONTACT DETAILS

This policy has been approved and authorised by the Trustees:

Name:	Jeremy Metcalfe OBE
Position:	Chair of the Trustees
Date:	1 June 2025
Signature:	
Policy version:	June 2025
Date of Review:	June 2026
Contact:	info@CRESSUK.org