NORTH PETHERTON COMMUNITY CENTRE MANAGEMENT COMMITTEE
CHARITY NUMBER: 291048

FINANCE POLICY

The charity trustees are committed to the community that the Community Centre will not be in debt and substantial cash and bank deposits have been set aside by application of the following procedures:

- Depreciation of equipment, fixtures and fittings shall be provided based on a harsh assessment of an asset's useful life.
- Cash and bank deposits, plus any confirmed grants not yet received, shall always exceed total outstanding liabilities for operation and commitments for expenditure.
- Funds shall be available to cover unexpected costs that may arise from day to day operation.
- Funds shall always be available in time to meet regular large periodic payments.

The Management Committee shall:

- Set user rental rates annually so that expected rental income covers forecast running costs based on current levels of activity and depreciation of assets.
- Ensure all receipts of rental or any other income are paid into the Community Centre bank accounts with details provide to the Treasurer or Secretary.
- Approve changes of bank account signatories as and when required and all cheques shall be signed by two members, at least one of whom shall be either the Treasurer or the Secretary.
- Authorise specific members of the Committee to order and pay for either goods for day to day use in the hall, or for an approved project, and arrange prompt reimbursement.
- Set aside an annual provision for renovation of the premises or replacements of the building and its fittings not listed as equipment of not less than 0.5% of the historic costs of the premises in the previous accounts.
- Organise occasional fundraising events to meet the costs of future improvements to the hall facilities.
- Ensure that no funds are transferred to provide aid or grants to any person or other organisation.

Expenditure Controls

- Any service for future recurring items from a contractor on the preferred supplier list for up to £1,500 including VAT is to be approved by any two of Chair, Treasurer or Secretary.
- Any service from a contractor on the preferred supplier list over £1,500 including VAT is to be approved by a majority vote of the Management Committee.
- Any service from a new contractor for less than £500 including VAT is at the discretion of the Facilities Manager.
- Any service from a new contractor gor more than £500 including VAT is to be approved by a majority vote of the Management Committee members either in person or by email after circulation of the details and quoted costs.
- Any major project with estimated costs of more than £5K that is not necessary replacement must be approved in principle by the Management Committee and appropriate funding assistance may be sought for all such projects.
- Emergency action required for safety or enabling safety and comfort of hirers may be authorised by any officer and two other committee members.

The Management Committee will make periodic assessments to determine funds that need to be available to replace equipment and maintain premises to a high standard, calculated by:

- Re-assessing the life of assets to determine an approximate annual value of those requiring replacement within the following 4/5 years after adjusting the original costs for estimates of inflation or changes from technological improvements.
- Identifying and evaluating the costs of replacing or renovating equipment within the premises for which no depreciation has been set aside.
- Identifying and evaluating the costs of necessary renovation of the premises.
- The Management Committee should attempt to ensure that estimated funds at all times meet the requirements. For this purpose the funds may include those at the time of review, plus funds reasonably expected to be set aside from operations, other than regular income, and depreciation before any forecast expenditure is due. Any surplus funds may be applied to improve either equipment or premises.

Created 05.02.2023 This Policy to be reviewed annually