



STANDING ORDERS : FUNDING & FINANCE

KNOWLE, DORRIDGE AND BENTLEY HEATH NEIGHBOURHOOD PLAN LIMITED

Adopted on **nn xxxxxxxx** 2015

COMPANY NUMBER **nnnnnnnnnn**

1. Introduction

These Standing Orders set out the procedures and regulations to be followed in obtaining income and managing expenditure within KBDH Neighbourhood Plan Limited (hereafter referred to as the Company).

The Memorandum and Articles of Association of the Company impose on the Directors certain duties regarding accounts, audit and financial control.

The Directors are ultimately responsible for the financial control of the organisation, for safeguarding the resources of the Company and using them in an economical and effective way and for financial reporting to its members and others.

2. Banking

The Company will operate a bank account in its name. Any money acquired by the Company and its Neighbourhood Forum, including donations, contributions and bequests, shall be paid into the bank account. Where any petty cash is required, this shall be withdrawn from the bank account not directly transferring from the cash proceeds of fundraising.

The Chairperson, Vice Chair, Treasurer and Company Secretary will be recorded as authorised bank signatories. Two signatures, or electronic equivalent, shall be required for any payment or withdrawal.

The Directors will ensure that adequate security precautions are in place to protect cheques and passwords to prevent unauthorised access to funds.

3. Funding Applications

All applications for external funding must be discussed and formally approved by the Directors before submission. The Directors will pay particular attention to the terms and conditions associated with the potential funding and, if appropriate, undertake an assessment of risks.

4. Fundraising Activities

In running any fundraising activities, the Directors will ensure that appropriate processes and recording are in place to:

- protect the organisation from fraud, theft or embezzlement;
- protect staff or volunteers from accusations of dishonesty or the temptation to commit fraud; and
- assure donors that their donations and gifts are used for the purpose for which they were given.

5. Use of Funds

The Directors shall ensure that all incoming funds are applied to the furtherance of the objects of the Company and for no other purpose.

6. Budgetary control

The Treasurer will, with the support of the other Directors and Steering Group members, prepare an annual budget of income and expenditure. This budget will be submitted to a meeting of Directors for approval before the commencement of each financial year.

The budget will distinguish between different activity streams and types of expenditure as necessary to clearly identify which Director or Steering Group member will be responsible for keeping the expenditure within budget and/or securing the budgeted income.

At the end of each financial quarter, and also upon any exceptional financial risk, the Treasurer shall furnish a financial summary report detailing the actual income and expenditure compared to the budget. The Steering Group will consider any action to be taken in respect of significant variances.

Where variances from budget are significant, the Directors shall determine whether to generate a revised forecast and operate from that.

7. Authorisation and Management of Expenditure

Where expenditure is budgeted, the Director or Steering Group member concerned will be authorised to make a commitment to purchase without reference back to a Steering Group meeting. Where expenditure is not budgeted, it must be considered by a Steering Group meeting before any commitment to spend is made.

All expenditure must be evidenced by an invoice, a receipt, an expenses form or another appropriate document. All such documents should be signed by the Director or Steering Group member who authorised the expenditure.

All payments of expenses to a Director or Steering Group member will be authorised by the Chair and to the Chair by both the Treasurer and another Director.

8. Petty Cash

Petty cash will be kept by the Treasurer to meet any minor expenditure up to £25 limit. A petty cash voucher will be completed for each payment and expenditure should be evidenced and authorised as stated above.

Petty cash should be reconciled on a monthly basis.

9. Maintenance of Records

The Treasurer will be responsible for maintaining financial records, detailing all income and expenditure of the Company. These must be adequate to fulfil the Company's statutory responsibilities, to meet the requirements of its Memorandum and Articles of Association and to enable its annual accounts to show a true and fair view of the state of the Company's affairs.

The Treasurer will ensure that, where donors have placed restrictions on the use of any funds, appropriate records are kept to comply with these restrictions.

The Treasurer will ensure that an appropriate level of security is exercised over the Company's financial records.

10. Annual Accounts

The Treasurer will be responsible for arranging the preparation of the annual accounts, to comply with all relevant legislation and relevant best practice.

The Treasurer will arrange for the draft accounts to be independently examined by a qualified accountant who is not a member of the Neighbourhood Forum and for the examined accounts to be submitted to the Directors for approval in advance of the AGM.

Approved accounts should be published on the Neighbourhood Forum website at the same time as the notice of the AGM.

Following the AGM, the Treasurer shall submit the annual accounts to Companies House.

11. Review and Amendments to these Standing Orders

These Standing Orders will be reviewed annually at the meeting of Directors at which the annual accounts are approved. Review can also be requested by a Director or Steering Group member at any other time. Any amendments must be formally approved by a majority of Directors present and voting and must be formally recorded in the minutes of the meeting as well as in a re-issue of this document.
