

Financial Controls Policy

AGREED: JULY 2023

REVIEW DUE: JULY 2024



This policy details the procedures that Food Friends has in place to control the handling, recording and reporting of money matters.

1. Financial records will be kept so that Food Friends can:
 - a) Meet its legal and other statutory obligations such as Charity Acts, HMRC and common law.
 - b) Enable the trustees to be in proper financial control of Food Friends.
 - c) Enable Food Friends to meet the contractual obligations and requirements of funders.
2. Food Friends will keep proper books of accounts, which will include:
 - a) Bookkeeping undertaken with XERO software tracking individual transactions to and from Food Friend's bank account.
 - b) Relevant HMRC taxation records in accordance with current legislation and reporting requirements.
3. The financial year will end on the 31st October each year. Accounts will be drawn up after each financial year within three months of the end of the year. The trustees have appointed Spurling Cannon (an appropriately qualified auditor) to audit the accounts prior to submitting to The Charity Commission.
4. Prior to the start of each financial year, the trustees will approve a budgeted income and expenditure account for the following year. A report comparing actual income and expenditure with the budget will be presented to the trustees every three months. Monthly updates will be sent to the trustees at the end of every month, with any significant discrepancies explained.
5. Food Friends banks with CAF Bank. The account is held in the name of Food Friends UK. The following account will be maintained: Food Friends UK cash account.
6. The bank mandate will always be approved and minuted by the trustees.
7. Food Friends will require the bank transactions to be reconciled on XERO no less frequently than every 1.5 months. The Chair of Trustees will spot check that this reconciliation has been done at least twice a year.
8. Food Friends will not use any other bank or financial institution or use overdraft facilities or take out a loan without the agreement of the trustees.
9. All monies received will be paid into the Food Friends UK account promptly. Food Friends will maintain documentation and attach this to the XERO accounts package to back this up.
10. Food Friends ensures that all expenditure can be demonstrated to be the charity's business and is properly authorised. Online transactions, written cheques and debit card payments over £100 must be authorised by two unrelated bank signatories. This is currently CEO Anna Mantell and Chair of Trustees Emily Lau. The trustees approved budget sets out the planned level of expenditure within

the year, signatories should not incur expenses which are outside of this budget without authorisation from the board.

11. The CEO will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept under lock and key. 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. Supporting documentation will always be presented to the signatory when a request is made to approve a cheque or online transaction. Cheques should not be signed or online transaction approved without original documentation.

12. Every payment from the Food Friends bank account will be evidenced by an original invoice (never against a supplier's statement for final demand). That original invoice will be scanned into the XERO accounts package.

13. There will be a clear trail to show the authority and reason for every wage or salary payment. All employees will be paid within the PAYE National Insurance regulations. All staff appointments/departures will be authorised by the trustees, minuting the dates and salary level. Any overtime payments will be authorised by the trustees unless clearly outlined within the annual budget, and therefore at the discretion of the CEO. All overtime to be documented and processed through PAYE.

14. Food Friends does not use petty cash. Instead, we use a system of out-of-pocket expenses. Please see Food Friends expenses policy (Appendix 1). Any Food Friends Coordinator expenses forms are signed off by the CEO. The CEO expenses are signed off by the Chair of Trustees.

15. Food Friends has one business debit card which is for the CEO's use. All spending must be in line with the pre-approved budget, and if not, authorisation must be sought from the board. Any transaction over £100 must be authorised prior to making payment by the Chair of Trustees. Every debit card payment made from the Food Friends bank account will be evidenced by an original invoice (never against a supplier's statement for final demand). That original invoice will be scanned into the XERO accounts package.

16. ATM cash cards will not be used and if issued by the bank they will be immediately destroyed.

17. All fundraising and grant application undertaken on behalf of the organisation will be done in the name of Food Friends with the prior approval of the trustees, or in urgent situations, the approval of the Chair of Trustees who will provide full details to the next trustee's meeting.

APPENDIX 1

EXPENSES POLICY

AGREED- May 2023

REVIEW DATE- May 2024

As a member of the Food Friends team, you may need to pay for some goods or services while supporting us in our mission to reduce loneliness and isolation in communities through food and friendship. This policy is here to inform members of the Food Friend's team what they can claim as expenses, what is exempt from reimbursement and how to submit a claim.

The Food Friends team includes employees, trustees, and volunteers.

Expenses for employees

Food Friends reimburses all employed staff for the qualifying expenses below.

- Business travel. Please charge HMRC approved mileage rates – for cars 45p per mile, motorcycles 24p per mile and bicycles 20p per mile. If using public transport, please charge for the actual travel cost - ensure to always keep ticket receipt.
- Parking whilst attending work related meetings/functions.
- Office supplies
- Work related IT and software.
- Refreshments during meetings with volunteers and food friends.
- One off appreciation/thinking of you gifts, under the cost of £8, for volunteers or Food Friends. We ask staff members to check with their manager regarding this reimbursement, prior to purchase, as it will be considered on a case by case basis, in conjunction with the Food Friends budget for that geographical area.

Food Friends does not financially pay for or reimburse staff members for the following expenses.

- Loss of personal property
- Parking fines or other fines obtained during working hours.
- Expenses for other family members.

Expenses for Volunteers

Food Friends reimburses all volunteers for the qualifying expenses below.

- For those volunteering to share home cooked meals. specific containers needed to transport food if a covered plate is not suitable.
- Transport costs to a training session arranged by Food Friends. Please charge HMRC approved mileage rates – for cars 45p per mile, motor cycles 24p per mile and bicycles 20p per mile. If using public transport please charge for the actual travel cost - ensure to always keep ticket receipt.
- Parking if attending a training session arranged by Food Friends.
- Refreshment costs for volunteers supporting a Food Friend to gain confidence in leaving their home, up to the cost of £15.

Food Friends does not financially pay for or reimburse volunteers for the following expenses.

- Mileage costs for volunteers delivering a home cooked meal to their Food Friend
- Meal preparation costs for those volunteers sharing home cooked meals.
- Loss of personal property
- Parking fines or other fines obtained whilst volunteering with Food Friends.
- Expenses for other family members

How to submit a claim

To help Food Friends reimburse you fully for any qualifying expenses remember these rules:

- Keep receipts documented and organised.
- Submit all expenses within 30 days.
- Complete the Food Friends expenses form (Appendix 1) and send to accounts@food-friends.co.uk with evidence of spending attached.

If you need any support completing your expenses form, please don't hesitate to contact CEO Anna Mantell anna@food-friends.co.uk