



Woodlarks Campsite CIO

Woodlarks Camp Site Trust

Financial Management & Reserves Policy

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1 Introduction

Purpose

- 1.1.1 Woodlarks has a financial year running from 1st October to 30th September each year.
- 1.1.2 This document sets out Woodlarks procedures for the day-to-day management of finance and financial controls.
- 1.1.3 This document will ensure there are consistent and transparent procedures in place to ensure that all Woodlarks assets (fixed and financial) are safeguarded and to prevent misappropriation or misallocation of monies.
- 1.1.4 It will ensure all assets are used in accordance with Woodlarks' 'Charitable Purpose' as specified in the Woodlarks Governing Document and to maximum advantage.
- 1.1.5 This policy will be reviewed by the Treasurer and Trustees annually to ensure the controls are appropriate for the level and type of activities undertaken by Woodlarks and to ensure Trustees maintain an efficient and professional financial management process.
- 1.1.6 In accordance with Charity Commission rules, all Trust finances undergo an annual Independent Examination (IE) by Chartered Accountants. Annual accounts are prepared, approved and signed before being submitted to the Charity Commission for England and Wales, as part of the Trustees' Annual Report.

1.2

Definitions

- 1.2.1 For definitions used in this policy, please refer to the separate document in our [website](#).

1.3

Personnel

- 1.41.3.1 For allocated personnel for this policy, please refer to separate document on our [website](#).

Scope

- 1.4.1 This policy applies to both:
 - [Woodlarks Campsite CIO - 1214811](#)
 - [Woodlarks Camp Site Trust - 306148](#)
- 1.4.2 This policy applies to:
 - Trustees
 - The Management Committee
 - The Warden and Secretary

- Woodlarks Volunteers, including Working Parties and Winter Events
- Camps, Schools and Winter Events hiring the site

1.4.3 It covers all activities taking place on the campsite, whether residential or day use.

2 Overview of Trustees' Responsibilities

2.1.1 Trustees are legally responsible for ALL decisions regarding Woodlarks finances.

2.1.2 Trustees shall decide and apply budgetary limits to all aspects of Woodlarks expenditure on an annual basis.

2.1.3 A Budget Setting Meeting will be held in September each year to facilitate this and ensure a budget is set for the following financial year, commencing on 1st October each year.

2.1.4 In accordance with Woodlark's Governing Document and Charity Commission guidance, Trustees have the power to delegate tasks for the day-to-day administration of Woodlarks to a Management Committee (MC), membership of which includes the Secretary and Hon. Warden.

2.1.5 The MC will be chaired one of the Trustees. The MC cannot meet without at least one Trustee present.

2.1.6 All day-to-day expenditure by Woodlarks is controlled within specified budget limits for numerous areas, which are delegated by Trustees to the Warden, Secretary, or any MC member from time-to-time, who will have a responsibility to ensure budget limits are strictly observed.

2.1.7 Budgetary concerns will be raised with the Treasurer in the first instance, who will make appropriate decisions to resolve issues, in consultation with fellow Trustees when necessary.

2.1.8 Trustees may revoke the delegated responsibilities of the MC, or any individual member, at any time.

2.1.9 No decision made by the MC will be implemented where it exceeds the direction given by Trustees, or without full agreement of the Chair of the MC, who shall be a Trustee.

2.1.10 If the Chair of the MC considers it necessary, matters may be referred to all Trustees for a decision. This may be achieved via:

- the next scheduled Trustees' meeting
- an extraordinary Trustees' meeting,
- or via WhatsApp 'Financial Urgent Decisions Group' (FUDG – see 2.2).

2.1.11 Trustees have a legal responsibility to exercise reasonable supervision of the Management Committee and be kept informed of its actions and proceedings, which will be recorded in official minutes of all meetings.

2.1.12 Minutes must be circulated to all Trustees in a timely manner (especially to those not

present at the meeting), well within 14 days of the meeting.

- 2.1.13 The Management Committee are able to make financial decisions within agreed budget limits (see 7.4)
- 2.1.14 Any financial decision exceeding an agreed budget limit, or risking the budget entering deficit before the end of that financial year, must be referred to Trustees for approval.
- 2.1.15 If three Trustees are present at the MC meeting, this decision may be made immediately if their vote is unanimous. MC minutes must record this decision and be circulated to all Trustees and MC members not present without delay.
- 2.1.16 If the Trustee vote is not unanimous, or there are fewer than three Trustees present, the financial decision must be deferred to the next Trustees meeting, or an extraordinary Trustees meeting. If urgency dictates, the matter must be raised with Trustees via the FUDG WhatsApp group (see 2.2).
- 2.1.17 All Trustees may attend Management Committee meetings, however the minimum requirement is for a single Trustee as Chair.
- 2.1.18 MC Meetings and Trustees' Meetings will normally be held bi-monthly, each falling in alternate consecutive months, e.g.

January – Trustees
February – MC
March – Trustees
etc.....

2.2 **Financial Urgent Decisions Group (FUDG)**

- 2.2.1 In the past, authorisation for larger, unbudgeted expenditure that could not wait for the next meeting was obtained via ad hoc emails, phone calls and text messages with little joined-up Trustee oversight.
- 2.2.2 All Trustees now participate in a WhatsApp "Financial Urgent Decision Group" (FUDG). Urgent decisions or unplanned expenditure requests that cannot wait for the next ordinary or extraordinary Trustees' meeting will be referred to this group.
- 2.2.3 The FUDG group is purely intended for urgent financial discussions.
- 2.2.4 There is a requirement for a quorum of three Trustees to respond positively for any approvals.
- 2.2.5 WhatsApp is currently the application of choice being used for this purpose.
- 2.2.6 It is hoped that a response will be received from Trustees participating in the FUDG reasonably quickly. After a reasonable period of time (depending on urgency) responses from a quorum of three Trustees in agreement will make the decision.
- 2.2.7 FUDG members may determine that a full Trustee meeting is required to discuss an issue, where appropriate and urgency permits.
- 2.2.8 Any decisions made by FUDG will be communicated to all Trustees with minimal delay, where necessary.

- 2.2.9 Where no decision can be reached, the Chair of Trustees will have a casting vote (and will be consulted if not already involved in the decision made via WhatsApp).
- 2.2.10 As at December 2023, all current Trustees participate in FUDG.

3 Woodlarks Reserves

Woodlarks Reserves Policy

- 3.1.1 Woodlarks cash designated as a Reserves Fund is UNRESTRICTED and available to be spent, re-designated or otherwise committed at the discretion of Trustees, in line with the Woodlarks' charitable purpose and Governing Document.
- 3.1.2 Woodlarks holds reserves as cash in General Fund bank accounts and investments (referred to as the Reserves Fund).
- 3.1.3 The purpose of reserves is to provide a level of security against any unexpectedly large expenditure or uncertain period of income, ensuring the camp site is able to continue to function and fulfil its charitable purpose.
- 3.1.4 The Woodlarks' level of reserves is reviewed by Trustees biennially and are currently set at a level between two- and three-year's essential running costs.
- 3.1.5 Essential running costs include all utility bills, insurance premiums, staff costs, waste disposal, banking fees, accountancy fees and other routine expenditure necessary to run the site. This does not include approved expenditure on projects, which are funded from unrestricted general funds or restricted funds raised for that purpose.
- 3.1.6 Without this prudent management of our finances and the resulting higher level of security this provides, the very existence of Woodlarks could be threatened, presenting a higher risk of insolvency.
- 3.1.7 Reserves allow Trustees to plan ahead with a greater level of confidence, secure in the knowledge that funding for essential running costs is available for a guaranteed period of time.
- 3.1.8 It is important that potential donors, supporters and other benefactors understand that Woodlarks reserves are held in accordance with Charity Commission guidelines and are not an unnecessarily hoarded 'nest egg'. They are a very necessary source of security to ensure the viability of Woodlarks into the future.
- 3.23.1.9 Woodlarks prioritises all income, that is not restricted to a specific purpose, to replenish and maintain the level of reserves, ensuring they are maintained between the agreed minimum and maximum levels.

Current Reserves Level

- 3.2.1 A review of the level of reserves held by Woodlarks was held in February 2023, when it was agreed essential running costs would be defined as the mean of General Fund expenditure, as a minimum, over the previous two-year period at the time of any review.
- 3.2.2 In Feb 2023, average annual running costs were calculated using data from 2021/22

and 2022/23 financial years and determined to be £136,500 (a).

3.2.3 Therefore, it was agreed the level of reserves held by Woodlarks with effect from February 2023 will be between £273,000 and £409,500 - (a) x 2 to (a) x 3.

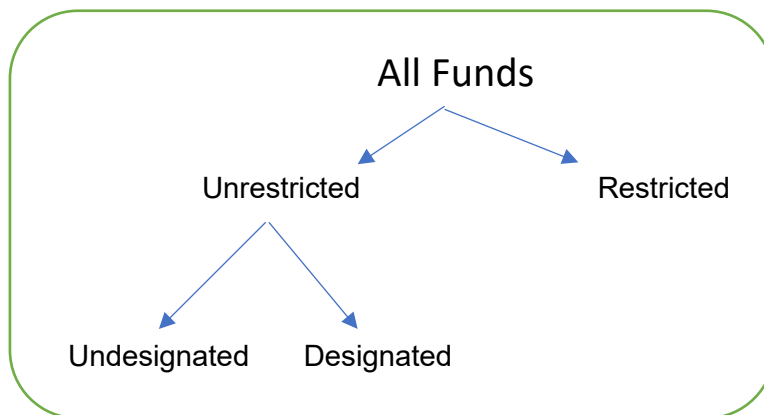
3.2.4 The next review of Woodlarks Reserves Policy will take place in March 2025.

4 Woodlarks Fund Types

Unrestricted, Designated and Restricted Funds

4.1.1 All funds under the control of any charity fall into two broad categories, namely Unrestricted Funds and Restricted Funds.

4.14.1.2 Unrestricted funds may be subcategorised as Undesignated or Designated (for a particular purpose), if so determined by the Trustees.



4.2^{4.1.3} Each of these fund types are described in the following paragraphs.

Unrestricted Funds

4.2.1 Unrestricted funds are freely available for a charity to spend in accordance with its Charitable Purpose, as described within the Governing Document controlling Woodlarks activities.

4.2.2 Unrestricted funds make up Woodlarks' General Fund.

Designated Unrestricted Funds

4.3.1 Unrestricted funds may be either designated or undesignated. Designated funds are Unrestricted funds that have been designated, or set aside, for a particular purpose.

4.3.2 Examples of designated funds are the Woodlarks reserves funds (see 3.1), the Projects Budget fund, the General and Core Budgets funds, the Contingency Fund, etc.

4.3.3 Trustees are able to redesignate these funds at their discretion, for example, move funds designated to a particular project to an alternative fund or purpose.

Restricted Funds

- 4.4.1 Restricted funds have been donated or granted to Woodlarks for a specific purpose, for example, rebuilding the pantry and cookhouse project.
- 4.4.2 These funds cannot be spent for any other purpose.
- 4.4.3 Trustees are not able to redesignate restricted funds, other than with the express permission of the donor/grant maker IN WRITING.
- 4.4.4 If seeking redesignation permission from the donor is not possible, or there are hundreds of smaller donations received as part of a fundraising event, then an application to repurpose the restricted funds will need to be made to the Charity Commission. This will only be granted in exceptional circumstances and MUST be received in writing.
- 4.4.5 The Charity Commission state that it is reasonable for any small excess of funds remaining following expenditure on fully satisfying the restricted purpose for which those funds were raised, may be transferred to the general fund on completion.

5 Bank Accounts

Overview

- 5.1.1 At present, Woodlarks holds current and deposit bank accounts with CAF Bank Ltd and Lloyds Bank PLC.
- 5.1.2 Woodlarks' banking arrangements will be reviewed during 2023, with the intention of moving away from CAF Bank.
- 5.1.3 Woodlarks bank accounts are described in the following sections.

CAF Cash Current Account

- 5.2.1 This is a current account and holds unrestricted general funds. It is used for electronic external payment of invoices and direct debits.
- 5.2 [N.b. It is intended that use of this account will cease during 2024 and the Lloyds Bank Treasurer's Account will become the Woodlarks' main current account.

CAF Gold Deposit Account

- 5.35.3.1 This is a deposit account and holds excess unrestricted general funds. This account is being replaced by the Lloyds Bank 'General Deposit' savings account.

Lloyds Bank Imprest Account

- 5.4
 - 5.4.1 This is a current account used for managing day-to-day general expenditure by the warden and secretary (formerly known as the 'Supplies Account').
 - 5.4.2 It has a balance maintained at £2000 and all expenditure must be supported by invoices/receipts.
 - 5.4.3 The balance is replenished from the appropriate Woodlarks budget accounts through "Imprest Claim Forms" submitted to the Treasurer, together with all invoices/receipts, by the Secretary.
 - 5.4.4 Charity Commission guidelines recommend a balance of £1000 for Imprest Accounts. The nature of Woodlarks expenditure and pressures on the secretary and Treasurer to keep the account in credit necessitate a usual balance of £2000.

Lloyds Bank Treasurer's Account

- 5.5.1 This is a current account and holds unrestricted general funds. It is used to manage restricted fund deposit account credits and debits when payments are made to/from these funds or donations are received and internal transfers with CAF Bank accounts.
- 5.6
 - 5.5.2 It is intended that this account will replace CAF Cash account and become the main Woodlarks current account for all external payments.

Lloyds Bank Deposit accounts

- 5.6.1 These accounts hold designated and restricted funds.

- 5.6.2 Larger restricted funds are held in an individual deposit account, whereas smaller restricted funds are held in a single Miscellaneous Restricted Funds account with details held in the monthly Management Accounts report (see 15.1).
- 5.6.3 Designated fund accounts include General Budget, Core Budget, Contingency Fund etc.
- 5.6.4 Two authorised signatories, who shall be unrelated to one another, are required to approve any electronic external payment (except authorised Imprest debit cardholder payments).

6 Imprest Claims

Returning funds from Woodlarks General Fund to Imprest Account

- 6.1.1 The Imprest Account has a usual balance of £2,000 and is maintained at this figure through Imprest claims for expenditure made.
- 6.1.2 The balance may be temporarily increased, when necessary, by arrangement with the Hon. Treasurer, e.g. for larger authorised purchases.
- 6.1.3 An Imprest Claim Form will be completed promptly following Imprest payments and forwarded to the Hon. Treasurer within a maximum of 14 days from the oldest transaction, together with receipts/invoices (scanned where necessary).
- 6.1.4 Imprest debit cardholders will keep track of expenditure and submit Imprest claims more frequently when necessary to prevent declined card payments through insufficient funds.
- 6.1.5 Debit card holders will ensure the Imprest Account balance has sufficient funds BEFORE performing any transaction. If necessary, a request can be made for the Treasurer to temporarily increase the Imprest balance, however this will not be an alternative to submitting regular Imprest Claim forms.

7.1 Financial Controls

Checks on Expenditure

- 7.1.1 All expenditure of Woodlarks funds must be in accordance with the Charitable Purpose, as described in Woodlarks' Governing Document.
- 7.1.2 Payments will be made by the Treasurer on receipt of approved invoices. These will be accompanied by an explanation of the expenditure, i.e. a relevant budget code to be debited, or the relevant approved project.
- 7.1.3 Payments made with an Imprest Debit Card by the warden or secretary will be notified to the Treasurer via an Imprest Claim Form within a maximum of 14 days of the transaction date, together with all receipts. This must include a full explanation of the expense and what it is for, i.e. is it routine budget expenditure, is it a cost associated with a project, etc.
- 7.1.4 All payments and associated documentation will be recorded and uploaded on the

Woodlarks' accountancy system (currently Xero), assigned to the appropriate budget/project expenditure code. All expenditure will be reconciled with the relevant bank account statement.

7.1.5 The Treasurer will monitor bank accounts and conduct checks on a weekly basis to ensure notifications of expenditure have been correctly submitted and all bank transactions are reconciled with minimal delay.

7.1.6 All financial activity will be inspected annually by independent examiners as part of the end-of-year submission of accounts to the Charity Commission.

Authorised Bank Account Signatories (as at December 2023)

7.2.1 CAF Bank CAF CASH Account - Online Banking and Cheque Signatories

7.2

- Secretary
- Treasurer
- Trustee 1
- Trustee 2

7.2.2 CAF Bank CAF Gold Deposit Account - Online Internal Transfers to CAF CASH

- Treasurer
- Trustee

7.2.3 Lloyds Treasurer's Bank Account – Online Banking and Cheque Signatories

- Trustee 1
- Trustee 2

7.2.4 Lloyds Treasurer's Bank Account - Debit Card Holders

- None

7.2.5 Lloyds Imprest Bank Account - Debit Card Holders

- Secretary
- Warden

7.2.6 Lloyds Deposit Accounts – Restricted Funds - Internal Transfers

- Treasurer

7.2.7 CCLA COIF Deposit Account – Deposits and Withdrawals

- Trustee 1
- Trustee 2

Expenditure Approvals

- 7.3.1 Woodlarks recognises the need to balance responsible financial controls with the prevention of overly bureaucratic processes, thereby avoiding unnecessary hinderance of work, urgent repairs and maintenance.
- 7.3.2 A new scheme for the management of expenditure approvals was introduced on 1st October 2021, which removed arbitrary spending thresholds, reduced bureaucracy and sped-up decision making for urgent expenditure, allowing approval BEFORE purchases are made.
- 7.3.3 All expenditure is assigned to a budget code, e.g. Buildings Maintenance, Grounds Maintenance, Tools (Hand and Power), Fittings (electrical), etc. and is approved either by an existing budget, or an approved project budget.
- 7.3.4 Where an account code cannot be determined for a purchase, the Treasurer will be consulted, or a suspense account code for expenditure (XX999), or income (RR998) will be temporarily used until updated by the Treasurer.
- 7.3.5 A list of all Woodlarks Budget account codes and the current Chart of Accounts may be found on both Xero accountancy system and the Woodlarks SharePoint site.
- 7.3.6 Budgets for all areas of expenditure are now agreed at an annual Trustees' Budget Setting Meeting and are devolved to the Warden and Secretary who are responsible for managing each budget and ensuring expenditure is kept within these limits.
- 7.3.7 Any extraordinary expenditure, likely to exceed the relevant budget code limit or exceed the balance held in the Imprest Account, must be raised with the Treasurer immediately in the first instance. This will allow funds to be allocated and consultation with other Trustees via FUDG (if urgent - see 2.2), when necessary.
- 7.3.8 Budgets for projects are agreed at regular Finance and Projects Meetings. These are usually attended by a minimum of three Trustees, however exceptionally large project bids will be referred to all Trustees for approval and discussed at Management Committee meetings.

Budgets

- 7.4.1 All Woodlarks financial transactions are categorised into account codes. These codes are alphanumeric with a prefix to indicate the nature of the transaction.

Prefixes:

7.4 Expenditure codes:

- XX** = Unrestricted funds general expenditure codes
XCL = Unrestricted funds administration and clerical codes
XR = Restricted funds expenditure codes

Income codes:

- RC** = Revenue from Camps
RD = Revenue from Donations/Legacies
RR = Other unrestricted revenue
RDR = Restricted Revenue

Example Codes:

XX615 Ground Maintenance, XR655 Santa's Grotto, RC200 Camp Fees, RD220 Donation to General Fund

- 7.4.2 Account codes are used for the purposes of monitoring income and expenditure in the form of monthly management accounts and to allow the setting of individual budget limits.
- 7.4.3 Budgets are set annually at a Budget Setting Meeting and agreed by Trustees.
- 7.4.4 At any time during the financial year, where it becomes apparent a particular expenditure code budget is likely to be exceeded, the Treasurer will take immediate remedial action, determine the cause, notify all Trustees and any other person with responsibility for that budget.
- 7.4.5 A budget will be set for all account codes, based on anticipated routine need and limitations of cash held in the general fund.
- 7.4.6 The budget falls under two main categories:

7.5 CORE BUDGET – essential expenditure, e.g. insurance, utilities, wages.

GENERAL BUDGETS – flexibility to limit expenditure when necessary.

Budget Setting

- 7.5.1 The budget setting meeting shall be held annually in September, before the commencement of the next financial year.
- 7.5.2 Annual Budgets cover a 12-month financial year period (from 1st October to 30th September).
- 7.5.3 The meeting shall be attended by a minimum of three Trustees, one of whom shall be the Hon. Treasurer. The Warden and Secretary will usually be invited to attend.
- 7.5.4 The Budget Setting Meeting will determine funds available for the following financial

year and distribute these across the budget codes. The budget shall be approved by Trustees' majority vote.

- 7.5.5 Where there are insufficient funds held for an entire year's budget, provisional account code budgets will be set, which may be increased as and when funds are raised and become available.
- 7.5.6 Where insufficient funds exist for the year's Core Budgets (essential, non-optional costs), these will be prioritised over all General Budget account codes.
- 7.5.7 Where necessary, Trustees have discretion to re-purpose funds designated to projects and move these to the core and general budget funds.
- 7.5.8 In extreme circumstances, Woodlarks Reserves will be drawn upon to finance the core and general budgets. Reserves will be replenished as a priority over and above all other expenditure as soon as possible.

8 Financial Document Retention

What Financial Documents are Retained?

- 8.18.1.1 Where paper documents are received, these are scanned for processing and stored in SharePoint. Most original documents are destroyed.
 - 8.1.2 All documentation relating to financial transactions, such as invoices, receipts, paying-in slips, etc. are processed by the Treasurer and uploaded Woodlarks' accountancy system (currently Xero).
 - 8.1.3 Any cheques received by Woodlarks, that have been paid-in by scanning into the Lloyds Bank App, will be retained until the transaction has been reconciled by the Treasurer and then destroyed by shredding.
 - 8.1.4 There will be no requirement for the storage of paper documents (with the exception of certain legal documents).
- 8.2

How long are Financial Documents Retained?

- 8.2.1 All financial documents, whether received digitally or scanned, are electronically filed by the Treasurer for a minimum period of six years plus the current year and are accessible via Microsoft Teams, OneDrive and Microsoft SharePoint.
- 8.2.2 Electronic storage of records commenced on 1st October 2016.
- 8.2.3 An historic archive of paper documents will be retained until 1st October 2023, when they will be destroyed.
- 8.2.4 Digitally stored documents are filed by financial year, making weeding a simple process. However, since Woodlarks has at least 1Tb of digital storage included with Microsoft 365, there is no immediate requirement to delete documents older than the minimum retention period. There is no mandatory destruction date.

9 Automated Bank Payments

Direct Debits and Standing Orders

- 9.1.1 Woodlarks has a policy of paying utility bills by direct debit, saving administrative time and unnecessary manual transactions.
- 9.1.2 The Treasurer will monitor all direct debit payments from bank accounts, ensuring sufficient funds are available and dormant direct debits are cancelled when no longer required.
- 9.1.3 Woodlarks has no active standing orders, or any intention to use them. Direct debits, where invoices are received in advance of payment, are a preference.

10 Cheques

Cheque Payments

- 10.1.1 Woodlarks holds cheque books for the CAF Cash, Lloyds Current and Imprest Accounts only.
- 10.1.2 Whenever possible, Woodlarks payments will be made electronically via BACS and cheques will only ever be issued as a last resort when electronic payments are not possible. All payees will be encouraged to accept electronic payments.
- 10.1.3 Woodlarks reserves the right to make a £2 deduction for the issuing of a cheque. This will cover the postage costs to obtain dual signatures, when necessary.
- 10.1.4 Authorised cheque signatories are listed at 7.2. Each signatory is responsible for ensuring any cheque issued is for the furtherance of Woodlarks business only, is made out to the correct payee and is for the correct amount in words and figures.
- 10.1.5 Two signatories are required for all cheques, regardless of the amount payable, one of whom will usually be the Hon. Treasurer, who may delegate this responsibility to another authorised signatory, when logistically necessary.
- 10.1.6 No signatory may sign a cheque payable to themselves or to a spouse/partner/relative.
- 10.1.7 Where two signatories are authorising any payment, those individuals shall not be related to one another.
- 10.1.8 A cheque will only be signed once it is fully completed. Blank cheques will NEVER be signed, nor any cheque signed and passed to a payee without being completed IN FULL and correctly dated.
- 10.1.9 Cheques will never be post-dated, except with express permission of the Treasurer.

Received Cheques

- 10.2.1 Cheques received by Woodlarks in payment will be paid into the Treasurer's current account as soon as possible and in any case within 7 days.

- 10.2.2 Cheques may be deposited by:
- paying-in at any branch of Lloyds Bank, or
 - paying-in electronically using the Lloyds Banking App on a smart phone.
- 10.2.3 All deposits will be recorded on a Woodlarks Paying-In Sheet and forwarded to the Treasurer as soon as possible.
- 10.2.4 Cheques paid-in electronically via the banking app will be retained until the transaction has been reconciled by the Treasurer and then destroyed by shredding.

11 Debit and Credit Cards

Credit Cards

- 11.1.1 Woodlarks does not hold any credit cards.

11.1 Debit Cards

- 11.2.1 Debit cards are only issued for the Imprest Account and are held by the Hon. Warden and Secretary only.
- 11.2.2 The Treasurer holds a Lloyds Bank authorisation card, purely for banking administration identification purposes. This card is not a debit card and cannot be used to make payments.
- 11.2.3 All debit card and online payments charged to the Imprest account must be supported by a receipt/invoice and promptly submitted to the Treasurer for the purposes of bank reconciliation and replenishment of the Imprest Account from the CAF Cash Account (see Imprest Claims 6.1).

12 Electronic (Internet) Banking and Cash

12.1

Internet Banking

- 12.1.1 All electronic payments made by Woodlarks (except debit card payments from Imprest Account) will be made from CAF Cash account and require dual signatories. [n.b. this account will be replaced by the Lloyds Bank Treasurer's Account during 2023].
- 12.1.2 Individuals and organisations making payments to Woodlarks will be encouraged to do so via an electronic payment to the Treasurer's Current Account, however other payment methods are available
- 12.1.3 Authorised individuals will keep all passwords and pin numbers secret and never share their security details with any third party.
- 12.1.4 For every bank transaction, an electronic record is kept.

Cash

- 12.2.1 Woodlarks does not routinely hold a cash balance (except cash donations and the contents of collection boxes pending paying-in to the bank).
- 12.2.2 A receipt will be issued by the secretary for any cash payment made to Woodlarks.
- 12.2.3 Woodlarks does not usually make cash payments. In very exceptional circumstances a cash payment may be arranged by the Treasurer and a receipt obtained, as for any purchase transaction.
- 12.2.4 If ever a cash float is required (e.g. for a a Trust fundraising event), the Treasurer may approve this, usually not to exceed £50 in small notes and various denomination of coins. The Treasurer will give instructions for obtaining cash for this purpose.
- 12.2.5 A float will not usually be provided for any event not organised and attended by a Woodlarks official (Trustee or MC member).
- 12.2.6 All funds raised, including any float where applicable, will be forwarded to the secretary at the earliest opportunity following the conclusion of the event. The secretary will pay these funds into a Woodlarks bank account, as directed by the Treasurer and provide the Treasurer with a detailed breakdown of the float and cash raised on a paying in sheet.
- 12.2.7 Where it is not practical for the fundraiser to forward funds to the secretary, they will be paid into a Woodlarks bank account without undue delay and the Treasurer provided with a breakdown of the cash paid-in as soon as possible.

12.3 Received Cheques

- 12.3.1 The Trust accepts cheques (while they still exist!).
- 12.3.2 Cheques are not a preferred means of accepting payment. Wherever possible, an electronic payment will be encouraged into the Treasurer's Account.
- 12.3.3 Where a cheque is received it will be paid into the bank without undue delay.
- 12.3.4 A receipt will be issued by the secretary for any cheques received.

Received Card Payments

- 12.4.1 The Trust is currently able to receive card payments via Zettle, however means of making electronic payments via the website are being explored for the future.
- 12.4.2 Receiving Other Payments (e.g. Zettle)
- 12.4.3 The Trust can take credit and debit card payments using a Zettle terminal.
- 12.4.4 It must be borne in mind, Woodlarks pays a fee for receiving payments by this method and use for routine payments will NOT be encouraged. Zettle payments will obviously be accepted for the convenience of the payer, if specifically requested.
- 12.4.5 When paying a Trust invoice or making a purchase (e.g. camping fees, souvenirs, etc), payers will be asked if they are willing to make a voluntary donation to cover the Zettle transaction cost.
- 12.4.6 Donors will not be asked to cover these fees when making a donation.

- 12.4.7 Payments may be received in person via contactless or chip&pin transactions.
- 12.4.8 Payment may be taken via telephone, when the payer dictates their card details to a Trust representative. The card details must be entered directly into the payment terminal and NEVER WRITTEN DOWN under any circumstances.

13 Expense Claims Policy

Authorised Purchases on Behalf of Woodlarks

- 13.1.1 All purchases will have previously been approved by a Trustee or management committee member who will be responsible for the expenditure.
- 13.1.2 Wherever possible, purchases will be made with Woodlarks being invoiced for payment via the Treasurer.
- 13.1.3 Where private payment by an individual is necessary, Woodlarks will reimburse claimants who have made authorised purchases on behalf of Woodlarks.
- 13.1.4 Claims will only be accepted where supported with paid invoices or itemised receipts.

Personal Expenses

- 13.2.1 Generally, any travel made on behalf of Woodlarks will be considered voluntary.
- 13.2.2 Expenses incurred while attending ordinary Woodlarks meetings and local fundraising events will NOT usually be paid.
- 13.2.3 Journeys to and from the camp site from anywhere in the UK will be considered voluntary unless attendance is specifically requested by a Trustee or management committee member and is deemed essential. Examples include breakdown repairs, fault rectification, where paying a volunteer's expenses would be cheaper than paying a professional.
- 13.2.4 Volunteers may waive their right to claim expenses at their discretion.
- 13.2.5 Where exceptional travelling costs have been incurred whilst on Woodlarks business, Trustees will agree a discretionary payment of reasonable expenses. Examples may include, essential vehicle hire, congestion charges, or inner-city car park charges.
- 13.2.6 Train/bus/fuel costs may be paid for journeys, whilst on Woodlarks business, FROM the camp site to other locations or journeys from a UK home address DIRECT to other locations.
- 13.2.7 ALL personal expense claims must be submitted on a Woodlarks Expenses Claim Form together with all receipts/invoices.
- 13.2.8 TRAVEL CLAIMS must include the reason for travel, FROM and TO locations, type of vehicle used, total miles claimed.
- 13.2.9 Woodlarks are prepared to pay HMRC prevailing rate (45p in Nov 2023) per mile (car or van), which is the MAXIMUM rate permissible under HMRC rules without tax liability. This will more than cover fuel costs.
- 13.2.10 The Claim Form states that, at the claimant's discretion, they may opt to fill refuel

their vehicle before and after their journey and claim for the fuel actually used. Actual fuel costs will always be much lower than the HMRC maximum limit.

- 13.2.11 All mileage claims will be subject to the HMRC limits and therefore will not result in a tax liability for either Woodlarks or the claimant.
- 13.2.12 The Woodlarks Expenses Claim Form includes a self-declaration from the claimant and requires a detailed explanation of the expense, any journey undertaken (including actual mileage), the circumstances of the claim and approvals from a Trustee or management committee member.
- 13.2.13 In the interests of the environment, claim forms do not need to be printed for wet signature. Forms will have names printed in the signature box and will be considered signed when emailed from their email account (personal or Woodlarks).
- 13.2.14 Incomplete forms or missing receipts, etc. will delay payment and be returned to the claimant.
- 13.2.15 All payments will be made electronically to the bank account details entered on the claim form by the claimant.
- 13.2.16 Woodlarks will not be responsible if incorrect bank details are provided on the claim form, however every effort will be made by the Treasurer to resolve the issue with the banks. This cannot be guaranteed and, if unsuccessful, FAILED PAYMENTS WILL NOT BE REPEATED.

14 Xero Accountancy System

14.1 History

- 14.1.1 Woodlarks commenced using Xero in 2016, following research to find the most appropriate system to replace spreadsheets and a stand-alone laptop to manage Woodlarks' finances.
- 14.1.2 Xero is subscription software held in the cloud and can be accessed online from anywhere in the world via username and password at xero.com.
- 14.1.3 The subscription is paid on a monthly basis and Xero have agreed a charitable discount for Woodlarks. This is a permanent discount (for the foreseeable future).

Users

- 14.2.1 The Xero accountancy system is managed by the honorary Treasurer, who is the system administrator.
- 14.2.2 All Trustees and management committee members may be assigned access to the Xero system, on request. The level of access will depend on the individual role.
- 14.2.3 Woodlarks' accountants, Ward Goodman, have two representatives with administrator access to assist with delivering an independent examination of our accounts each year.
- 14.2.4 Training may be provided by the Treasurer for any user, on request.

Chart of Accounts

- 14.3.1 The Chart of Accounts (CoA) is a list of income and expenditure accounts and was initially devised by the Treasurer during configuration and implementation of the system in 2016.
- 14.3.2 The CoA allows the recording and analysis of all areas of income and expenditure, providing useful oversight of state of Woodlarks' finances by allowing the production of meaningful Management Accounts. Xero allows data extraction, allowing the Treasurer to produce user-friendly, easy-to-understand spreadsheets.
- 14.3.3 The CoA also facilitates the implementation and management of budgets for specific areas. These can also be categorised as essential core expenditure or general budgets.
- 14.3.4 Income codes break down camp fees, souvenir sales, unrestricted and restricted donations, grants, legacies, fundraising events, collection boxes, etc.
- 14.3.5 The CoA is amended when necessary, retiring codes when they become obsolete and adding new areas as required.
- 14.3.6 During the annual inspection of accounts allowing reporting to the Charity Commission, accountancy codes may be added to assist with determining accruals and depreciation of assets, etc.

15 Financial Reporting

15.1 Monthly Management Accounts

- 15.1.1 The Treasurer provides Management Accounts on a 'receipts and payments' basis approximately monthly, summarising income and expenditure for the financial year-to-date.
- 15.1.2 These reports are produced using data extracted from Xero, which is the main repository for our financial information.
- 15.1.3 The monthly Management Accounts give Trustees and management committee members oversight of Woodlarks' day-to-day finances and allows monitoring of progress against set budgets and approved projects.
- 15.1.4 The report takes the form of an integrated spreadsheet, which has tabs covering a general summary, fundraising information, Income & Spend, Funds & Bank accounts, Projects Log, detailed Pantry Project Funds, Budget information and JustGiving donations.

Annual Independent Examination and Signed Accounts

- 15.2.1 In compliance with the Charities Act (as amended in 2022) and the requirements of the Charity Commission (CC), Woodlarks' finances are examined independently on a yearly basis during a formal Independent Examination (IE).
- 15.2.2 This takes place after 30th September each year, for the financial activity during the preceding financial year (from 1st October to 30th September).

- 15.2.3 Since Woodlarks' gross income exceeds £25k, it is a legal requirement for this to be performed by a qualified member of a CC approved professional organisation, as specified under the Charities Act 2022.
- 15.2.4 Woodlarks Trustees also submit their annual report, which is included in the document and signed by the incumbent Chair of Trustees.
- 15.2.5 During the examination, the Treasurer engages with a team of accountants (currently Ward Goodman Accountancy of Ferndown, Dorset) who are specialists in the unique requirements of Charity Accounting.
- 15.2.6 All income and expenditure is audited against invoices/receipts and Woodlarks' bank accounts. This verifies that all monies have been spent in compliance with the Woodlarks' Charitable Purpose, as defined in the Governing Document registered with the Charity Commission and covers unrestricted, designated and restricted funds (see 4.1).
- 15.2.7 The IE results in the production of Accrual Accounts, produced as a formal Statement of Financial Activities (SoFA) in compliance with the CC Statement of Recommended Practice (SORP) to Financial Reporting Council (FRC) standards.
- 15.2.8 All charities in England and Wales have a duty to submit a copy of the annual accounts to the Charity Commission as part of an annual return, which are then made publicly available on their website.

Contact Maintenance

15.3

- 15.3.1 All suppliers and 'customers' of Woodlarks are held as a contact from the first time they receive a payment of an invoice or make a payment/donation to Woodlarks.
- 15.3.2 Regular 'customers', such as schools and open camps are capable of having contact details recorded against their records, such as telephone, addresses and email accounts. This can be used for electronic invoicing purposes, which Woodlarks intends to implement in 2023.

15.4

Gift Aid

- 15.4.1 Woodlarks is registered with HMRC for gift aid purposes.
- 15.4.2 All donations made directly to Woodlarks, where the donor has completed a Gift Aid Declaration form, allow a claim to be submitted to HMRC for 25% of the donation to be paid as gift aid.
- 15.4.3 These claims are generally submitted twice a year.
- 15.4.4 Gift aid claims on donations received via fundraising websites, such as JustGiving, may be automatically claimed by the fundraising website on behalf of Woodlarks. Donors make a declaration as part of the donation process.

15.5

Fundraising and Grant Applications

- 15.5.1 Woodlarks welcomes fundraising efforts by any individual who offers to do so and we encourage organisers to use JustGiving.com for this purpose where direct payments to Woodlarks are not practical.

- 15.5.2 The trust is currently registered with JustGiving for a monthly fee and pay a small percentage of each donation as a transaction fee.
- 15.5.3 For this reason, Woodlarks is reluctant to accept fundraising events organised via an alternative service provider that would require registration and further payment of a fee to use.
- 15.5.4 Previous service providers include BT MyDonate and Virgin Money Giving, both of which have ceased operation.
- 15.5.5 A specific group of Trustees and MC members have responsibility for grant applications, ensuring a joined-up, informed process is maintained.

16 Financial Documents

Imprest Claim Form

- 16.1.1 This form is used to record all payments made from the Imprest current account and is forwarded, together with receipts and invoices, to the Treasurer every one or two weeks. (see 6.1).
- 16.1.2 The Treasurer confirms the payment has been debited from the bank account, reconciles transactions with receipts, enters each transaction on Xero and codifies all costs against the Chart of Accounts, ensuring each transaction is assigned to the correct budget, ensuring accurate management accounts are possible.
- 16.1.3 The value of the claim is then transferred back into the Imprest account, thereby maintaining the agreed balance (currently £2000).

16.2

Expenses Claim Form

- 16.2.1 Where expense had been incurred on behalf of Woodlarks, with prior approval, any person may use this form to claim a refund for that expense.
- Examples of expenses that may be claimed include:
 - Paying for something on behalf of Woodlarks
 - Making an approved journey
 - Other reasonable expenses at Trustees' discretion

16.3

Expenditure Request Form

- 16.3.1 This is a simple form that allows any individual associated with Woodlarks to make a request to purchase something.
- 16.3.2 It allows for a description of the expenditure and the benefits to Woodlarks to be explained.
- 16.3.3 The form will be passed to the Treasurer, who will refer to Trustees for approval, where appropriate.
- 16.3.4 Budget holders for devolved general budgets (currently the Warden and Secretary)

are able to spend from these budgets without the need to complete an Expenditure Request form, except where the payment:

- is an exceptional expense (16.3.5) being charged to any budget,
- risks the budget being overspent within that financial year.

Any expenditure falling into these categories must use an Expenditure Request form for approval in advance of the purchase.

16.3.5 An 'exceptional expense' is any purchase over and above the intended routine expenditure for that budget, especially where a budget would be put in deficit. For example, a budget for window cleaning should not be used to buy a new window.

16.3.6 In urgent circumstances the request may be made via telephone or WhatsApp.

Paying-In Form

16.4.1 This is a means of recording credits to any of Woodlarks' bank accounts.

16.4.2 When Woodlarks receives cash or cheques, these will be paid into a Trust Bank Account (usually the Treasurer's Current Account) as soon as practicable.

16.4.3 The form will be forwarded to the Treasurer allowing reconciliation of funds received and recording on the Xero Accountancy Sy

17 Policy Monitoring

17.1 Regular Review

17.1.1 This policy will be reviewed every 3 years.

17.1.2 Lessons learned will be incorporated into future revisions.