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## ST THOMAS ALLOTMENTS ASSOCIATION

Please contact the email address below to correspond with the Association:  
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### FINANCIAL RULES V3.2 SEPT 2020

Approved by the management committee on 13th September 2020

#### 1. Introduction

- a) We have a management committee which is elected annually by the Annual General Meeting. The management committee may co-opt other members to fill vacant positions.
  - b) The management committee is responsible for ensuring that the group is well managed and that we look after our income properly and put it to best use.
  - c) We will keep appropriate financial records, including:
    - an account book (print-outs in date order in a ring-binder or other file) or computer spreadsheet, to describe and categorise all the transactions in the bank account(s)
    - bank statements or building society passbook
    - a petty cash book - if/when we establish cash float(s)
    - details of all funds received into our bank account, or for which cash is receipted
    - invoices and other receipts for all payments
    - assigning a value to assets; including equipment, non-fixed structures, and to stock
    - Our financial year is agreed by our AGM and currently ends on 30th September.
  - d) We will draw up accounts at the end of the financial year and provide them informally to the AGM. Within 6-9 months we will have them examined by a suitable person who is independent of the group. The report together with the annual accounts, will be presented to the next Annual General Meeting for approval.
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- e) Early in the financial year, we will set a budget for the following year.
- f) We will discuss a financial report at each committee meeting, showing receipts and payments, and the balance of the association's funds, for the previous quarter. It may also show, in so far as known, expected future receipts and payments.
- g) The Association will appoint a Treasurer who will oversee all financial matters, including :
- ensuring that such bank accounts as are deemed necessary for the proper functioning of the Association, are set up and maintained;
  - ensuring that all payments from our bank account(s) are authorised by two of the officers of the Association;
  - ensuring that all purchases of £100 shall be paid by cheque or bank transfer;
  - maintaining, with the Trading Secretary or any other spending officers, such records as are necessary for the preparation of the annual accounts for their independent inspection, and for their presentation to the AGM.

## **2. Bank accounts**

- a) We will operate a current cheque account and may, from time to time, also operate a savings/deposit account.
- b) Any bank transactions will go through our current account. To withdraw money from any other account, we shall first transfer it to the current account and withdraw it from there. If we pay money into any other account, it will be as a transfer from the current account.
- c) At least three members of the management committee will be signatories to the accounts. The management committee reviews and agrees signatories at least once each year.
- d) Any withdrawals or transfers between accounts will be signed by two of the signatories. We expect that one of these will be the treasurer. If not, we will give the treasurer full details of the payment.
- e) We will ask the bank to provide statements every month and will ensure the statements match our account books.
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### **3. Income**

- a) When we receive cash at fetes, jumble sales or other events, two members of the group will count up the cash, make a note of the total and sign for it.
- b) If/when the treasurer, or someone acting on his/her authority or that of the Committee or its Executive, collects cash from members, the authorised collector will normally issue a receipt.
- c) Details of cash received will be entered in a cashbook.
- d) We may authorise use of small amounts of cash as a petty cash float, subject to a record of outflows and inflows being properly maintained and subject to any one receipt not exceeding £25 unless agreed otherwise in writing by the Treasurer, the Committee or the Executive. Use and maintenance of any petty cash float must be authorised by the treasurer, the Committee or the Executive, who must establish a clear reporting line back to them and define the scope or purpose of the float.
- e) We will bank the cheques within one month and record details of cheques received in the account books.
- f) The treasurer will keep files of paperwork relating to the cheques (e.g. grant award letters).

### **4. Buying goods and services**

- a) Any member may put forward a proposal for expenditure. Our management committee as a whole, its Executive Committee, or the treasurer, will agree any order in advance in writing, other than transactions properly made through petty cash floats. Proposals for expenditure may also be shown and approved in our annual budget or discussed and minuted at a meeting during the year.
  - b) The treasurer, with another signatory, may issue a cheque to any member whose purchasing proposal has been agreed; such a cheque will usually be in the name of the proposed supplier.
  - c) Invoices may be sent to the treasurer for payment where purchases have been agreed in advance.
  - d) Traders, till receipts, or screen shots of electronic transfers, must accompany any claim for reimbursement.
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- e) The treasurer will keep a file of paperwork and may carry out such checks, or request such further information as deemed necessary, before making payments.
  - f) In accordance with the constitution, the Trading Secretary shall obtain prior approval from the Committee for the purchase of gardening requisites and commodities and for their sale. The Trading Secretary's authority to place regular orders with established suppliers may be granted advance approval for up to one year ahead (but no longer) by the full Committee or the Executive Committee, who must specify the names of any such suppliers and the purchasing limits that apply to each.
  - g) The mileage rate is £0.45 for any car/van travel. This should be paid through a petty cash float where a signed declaration must be provided by the claimant. Claimants must be, or have written pre-authorisation from, a Committee member.

#### **5. Payments by cheque & bank transfer**

- a) We will not sign a cheque without paperwork to support the payment.
  - b) We will not authorise payments by direct debit or by bank transfer (BACS) without paperwork to support the payment.
  - c) Two signatories are required on each cheque to make it valid; one of these will usually be the treasurer.
  - d) We will never issue anyone with a blank cheque pre-signed by any two of the Association's authorised signatories.
  - e) Cheque stubs will be completed at the time of payment, or an image will be taken of the cheque for completion of the stub at a later date.
  - f) The following details of cheque payment will be recorded on the stub: cheque number, payee, date, and who signed the cheque.
  - g) We shall write details of all cheque payments in the account book.
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**6. Petty cash**

An authorised member may be given responsibility for a petty cash float of up to £100 (or such other amount below a maximum of £200 as the committee may from time to time agree).

- a) Cash withdrawals from the bank account will be used to make up the petty cash float, and be by cheque requiring 2 signatures.
- b) Any authorised member with responsibility for a petty cash float will record in-goings, out-goings and balances in a petty cash book and keep till receipts, bus tickets, etc.

Agreed by the Committee on 13/9/2020 (date)

signed & dated by the Chair [Signature] (signature)

13/9/2020 (date)

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