Financial Procedures

**Roman Road Trust**

**Community Interest Company Limited**

**Company No. 09319284**

## Directors’ financial responsibilities

The Board of Directors is collectively responsible for ensuring that the Roman Road Trust operates on a prudent financial basis and that it is always in a position to meet its liabilities as they fall due. The Board of Directors approves an annual budget and cashflow forecast, prepared by the CEO in conjunction with the Finance Director. The Board also approves the Trust’s annual accounts, which are prepared by the Bookkeeper and the Trust’s accountants. During the year, the Board meets monthly and considers a financial report at each meeting that is prepared by the Bookkeeper.

## Controls on expenditure

The CEO controls day-to-day expenditure. All transactions are notified to all signatories and require authorisation by two named signatories, including cheque and online transactions. Debit cards are held by the named signatories only and may not be passed to other members of the RRT. Debit cards are required to be kept securely in signatories’ houses and not carried around, save where it is necessary to get cash out for events, or to use the debit card in person in a shop, in which case the signatory will obtain advance approval for the transaction from a second signatory. Debit cards must be returned to the Finance Director/Treasurer and cut up when the holder leaves the organisation.

The named signatories are currently Nick Pettersen (Director), Rachael Cunningham (Bookkeeper) and Tabitha Stapely (CEO).

## Controls on financial assets

The Bookkeeper records all cheques received and paid, and all payments in and out of the bank account and reconciles income and expenditure with the bank account each month. The Bookkeeper reports to the Board at its monthly meeting with management accounts. The Finance Director [or Chair] will review the balance on the Trust’s bank account on a monthly basis to ensure that it agrees with the management accounts.

An external accountant reviews the books and prepares accounts at the end of each year.

## Exercising budgetary control

Budgets for all events and activities are approved in advance by the Board. The CEO is responsible for monitoring expenditure against budget and reporting to the Board. Project Managers need to approve every item of expenditure on a Project Budget and have no direct access to debit cards, bank accounts or cash (other than float for events). Unbudgeted expenditure of any kind above £50 requires Board Approval. Unbudgeted expenditure below £50 must be approved by the Project Manager (if for a project) or by the CEO Tabitha Stapely (if not for a Project) and also (in each case) by a second signatory.

## Cash

Where cash is required for events, cash is withdrawn from the bank by an authorised signatory (with prior approval from a second authorised signatory) during the week before the event. It is kept securely in a locked cash box in the authorised signatory’s house until it is required. A record is made of the amount of cash before it is handed to the Project Manager for use on the day of the event. At the end of the event, the cash is counted and a reconciliation account prepared. The cash is then kept in a locked cash box by the authorised signatory and banked as soon as possible, and in any event no later than a week after the event.

## Expenses

No one will be reimbursed for any expense that has not been approved in accordance with the procedures for exercising budgetary control set out above. No one will be reimbursed for any expense without prior production of a receipt. Any expenses incurred should be claimed by the end of each month in which they apply.

## Recruitment

Recruitment of employees or contract staff for anything other than one-off events must be authorised in advance by the Board. Recruitment of contractors for one-off events (eg entertainment acts, etc) will be covered by the Board-approved budget for the project and is the responsibility of the CEO and the Project Manager. All persons recruited are issued with, and required to sign, an appropriate contract, which must be approved by the Chair (Holly Stout). Employment law requirements must be complied with in relation to all recruitment. DBS checks are carried out where required for the post.

## Controls on physical assets

The RRT owns some equipment/materials, usually stored at Attic Storage in Bow and occasionally at Directors’ houses. An inventory of all items with replacement cost above £50 will be kept and maintained by the CEO. Any use of assets by persons other than the RRT must be authorised by a member of the Board, and a fee may be charged at the Board’s discretion.

## Investment of cash surplus

Where the Board considers that the Trust has a cash balance which will not be used for more than 3 months, it may decide to invest some or all of this cash surplus. Investment decisions will be agreed by the Board and enacted by the CEO or Finance Director.

September 2015

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