



Financial Rules of ARC (Achieving Results in Communities) CIC

1. Introduction

a) Achieving Results in Communities is a Community Interest Company. Registered company number 07547198.

Address: 122 Brunswick Street Leamington Spa, CV31 2EN

b) Our Directors make up the Management Committee which meets every quarter.

c) The management committee is responsible for ensuring that the company is well managed and that we look after our income properly and put it to best use.

d) We keep appropriate financial records, including:

- computer spreadsheets recording all the transactions relating to different projects;
- bank statements;
- details of all funds received and spent;
- invoices and other receipts for all payments for a period of 7 years, unless additionally required by particular grant making bodies (e.g. People's Health Trust receipts will be retained for 6 years).
- PAYE records.

e) Our financial year ends on 31st March

f) We draw up accounts at the end of the financial year and have them examined by a registered firm of accountants (Harris Accountancy). The annual accounts are presented to the management committee for approval.

g) We discuss a financial report at each committee meeting showing cash received, payments, and remaining funds.

2. Bank accounts

a) We have a current cheque account with the Cooperative Bank.

b) Any bank transactions go through our current account.

c) Two unrelated staff members or Management Committee members authorise all payments via bank transfer or cheques.

d) The bank provides statements every month and ARC staff check the statements against the accounts.



3. Buying goods and services

- a) Purchases under £200 that are in line with agreed budgets can be authorised by one Management Committee member.
- b) Two members of the Management Committee will agree in advance any purchase of goods or services over £200.
- c) Three quotes will be sought for purchase of goods or services over £1,000, or agreement in writing from at least three members of the Management Committee if three quotes not possible.
- d) The treasurer will keep a file of all the paperwork and check firms' invoices before making payments.

4. Payments by cheque, direct debit, bank transfer or ATM card

- a) We do not sign cheques or authorise payments by direct debit or by bank transfer (BACS) without paperwork to support the payment.
- b) Two unrelated staff members or Management Committee members authorise all payments via bank transfer or cheques.
- c) We never sign a blank cheque, nor may members of the Management Committee write a cheque to themselves.
- d) Cheque stubs are completed at the time of payment.

6. Petty cash

- a) We keep a small float of £100 for small payments such as bus fares and tea & coffee. We top up the float with cash which we receive.
- b) We enter up all the cash received in the account book. We will show the amount kept for petty cash as a transfer from the account book to the petty cash book.
- c) We record payments on a petty cash slip and keep till receipts, bus tickets, etc.

7. Staff wages

- a) We keep records of staff wages in accordance with PAYE and National Insurance regulations.
- b) Casual or part-time staff are paid by BACS transfer on submission of an invoice.



8. Management of grants

- a) All restricted grants received are recorded on our finance system as separate funds with a unique code, with any corresponding expenditure allocated to the same code, so that income, expenditure and balances held can be easily identified and attributed to the correct funder.

- b) Grants will be spent in line with the budgets agreed with funders, and in accordance with the signed grant agreement letters, taking into account any flexibility in contract terms.

- c) Salaries and fees will be allocated to grants based on the hours spent working on the grant by staff and consultants, and will include a pro-rata contribution to additional employment costs such as Employers National Insurance and pension payments where applicable.

Date of Policy: April 2023. This policy is reviewed by ARC Directors every 2 years.

Signed on behalf of Directors

23/04/2023

Date of Next Review: April 2025