
Victory Hall Trust

Background

The Victory Hall Trust (“VHT”) is a registered charity (Charity Number 1002129) whose purpose is to maintain the Victory Hall in Exminster:

“for the purposes of a Village Hall for the use of the inhabitants of the Parish without distinction of the political, religious or other opinions including use for meetings, lectures and classes, and for other forms of recreation and leisure-time occupation, with the object of improving the conditions of life for the said inhabitants.” [Deed of Variation, 15 May 2003]

The property is leased to VHT by Exminster Parish Council (“EPC”), which remains Custodian Trustee of the Victory Hall. The Managing Trustees (“the Trustees”) of the Victory Hall comprise of three nominations by the Parish Council from the serving Councillors and five elected from inhabitants of the Parish at the Annual General Meeting of VHT.

VHT is responsible for keeping the interior of the property in good repair and condition, and all external parts of the property including the windows in a clean and tidy condition. VHT is also responsible for decorating the inside of the property as often as is reasonably necessary.

EPC is responsible for keeping the exterior and main structure of the building (including the roof and the foundation) in good and tenable condition and shall be responsible for the external decoration of the property.

VHT employs a Cleaner to keep the Hall clean and tidy, and an Administrator to oversee the day-to-day running of the hall, to manage bookings, to maintain accounts and to provide administrative support to VHT.

Finance Policy

The aims of the Finance Policy are to operate VHT on a sustainable revenue basis with a reserve fund set aside for emergency repairs/replacements and revenue voids. The Trustees shall review the allocation to reserves at least annually.

1. The Trustees will manage the assets of the charity in accordance with a Conveyance dated 31 October 1921, a Deed of Declaration of Trust dated 27 August 1990 and as amended by a Deed of Variation dated 15 May 2003, and a Lease between EPC and VHT dated 11 June 2007.
2. The Trustees will insure the Victory Hall in the joint names of EPC and VHT with a reputable Insurance Company on an ‘All Risks’ basis for its full reinstatement cost; the sums insured shall be reviewed by EPC on a regular basis.
3. Financial records will be kept to ensure that VHT meets its legal and other obligations under Charity Law, HM Revenue and Customs and common law.
4. The financial year will end on 31st March and accounts for each financial year will be drawn up and approved by the trustees before being presented to the Annual General Meeting held in May.
5. The accounts will be independently examined by an auditor or examiner of accounts appointed by the AGM.
6. The Trustees will approve a projected income and expenditure budget prior to the start of each financial year and monitor financial performance at every meeting.

7. The Trustees shall approve a Reserves Policy and determine the extent and nature of reserves designated as Reserve Funds.
8. All funds will be held in accounts in the name of VHT at such banks and on such terms as the Trustees shall decide. All cheques, online payments and transfer documents shall require the signatures (electronic authorisations, in the case of online payments) of two of the Trustees, with dealings reported to the Trustees in the Administrator's Report at each meeting.
9. The Chair has delegated authority to spend up to £500 on any repair, replacement or other work which is of such extreme urgency that it must be done at once. Use of delegated authority shall be reported in the Administrator's Report at every meeting of the Management Committee. This delegated authority shall be reviewed annually.
10. The Administrator shall present a financial report to every meeting of the Management Committee: the format and content of the report to be decided by the Trustees.
11. All expenditure shall be properly authorised and documented; all income shall be paid into the bank promptly.
12. The Trustees will undertake a financial risk assessment of all trust activities and review it annually.

Financial Procedures

Financial Records

1. A cashbook will be kept up to date by the Administrator to record and analyse all transactions made by VHT including those within VHT Bank Accounts and cash transactions.
2. A file of invoices, receipts, wage slips and hire agreement forms will be maintained by the Administrator.

Payment Procedure - Cheques

1. The Administrator will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept under lock and key.
2. Blank cheques will never be signed.
3. The relevant payee's name will always be inserted on the cheque before signature and the cheque stub will always be properly completed and initialled by the cheque signatories.
4. No cheques should be signed without original documentation (see below). The signatories will always initial the invoice, receipt or wage slip before signing the cheque.

Payment Procedure – Online Payments

1. The Administrator will be responsible for setting up online payments and will email invoice/payment details to the authorised bank signatories for approval.
2. Online payment will be authorised electronically by two signatories, who must each check the payment details (payee, amount, bank account details) against the supplied invoice.
3. Authorising trustees will email the remaining signatories to advise that they have authorised a payment.

Income Procedure

1. All income will be paid into the bank without deduction.
2. Cash is to be counted by the person collecting it and placed in a bag with a slip showing source, date, amount and signature of collector; the cash to be handed to the Administrator who should count the cash in the presence of the collector (or other person if collector not present) and confirm the amount.
3. Hire agreement forms showing conditions of hire, date, purpose of hire, the rate per hour and total due must be signed by the hirer on booking. Invoices for regular hirers will be issued periodically as agreed and occasional hirers will pay the full fee in advance. The Administrator will be responsible for collecting the outstanding balance and accounting for the income accordingly.

Payment Documentation

1. Every payment out of the bank accounts will be evidenced by an original invoice or till receipt. The cheque signatories should ensure that it is referenced with cheque number; date cheque drawn; amount of cheque; who signed the cheque (initials). For online payments, the payment transaction number will be written on the invoice for audit purposes.
2. All payments will be made by cheque or online payment, and all cash receipts paid into the bank. No petty cash will be held.
3. Payment of salaries and payment of deductions from salary such as may be made for tax, national insurance and pension contributions, will be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts.
4. All staff appointments/departures will be authorised by the trustees, minuting the dates and salary level. Similarly, all changes in hours and variable payments such as overtime, etc, will be authorised by the trustees and minuted.
5. Expenses/allowances. VHT will, if asked, reimburse expenditure paid for personally by authorised personnel or trustees on behalf of the charity, providing:
 - a) fares are evidenced by tickets;
 - b) other expenditure is evidenced by original receipts;
 - c) no cheque signatory signs for the payment of expenses to themselves.

Internal Control

It is important for trustees to bear in mind that they are responsible for all expenditure of charitable funds and have to account for how the charity's funds have been applied. These Internal Control Procedures are designed to detect and prevent fraud and corruption and to ensure the effectiveness of VHT's financial systems.

1. Two Trustees will be appointed as Internal Controllers at the first meeting after the AGM. Trustees who are bank signatories cannot be appointed as Internal Controllers.
2. Internal Control inspections will take place twice a year in early September and early March.
3. The Internal Controller(s) will meet with the Administrator to undertake the inspection. The Administrator will make available all financial records.
4. An Internal Control Inspection Form will be completed.

5. Bank Statements will be reconciled with approved expenditure and income.
6. The audit trail from minute to procurement and payment will be checked in accordance with the criteria defined on the Internal Control Inspection Form.
7. The results of the inspection will be reported at the next meeting of the VHT, highlighting anomalies or risk elements detected, together with recommendations for improvement.

[This policy and procedure document was agreed by the Trustees at their meeting on 23 September 2013.]

Last reviewed: November 2018

Next review date: November 2020