



Door 84 Finance Policy

Vision Statement:

Door 84 Youth and Community Centre (“Door 84”) is a Registered Charity (Charity Number: 1203574) and operates from premises situated at 84 Lowther Street, The Groves, York, YO31 7LX (Telephone - 01904 623177; website - www.door84.org.uk).

The following definitions shall apply:

- “The Building” means 84 Lowther Street, The Groves, York, YO31 7LX.
- “Building Users” means other users of the Building.
- “Participants” means children, young people, vulnerable adults and any other user of the building or of the services offered by Door 84.
- “Worker” means anyone working on behalf of Door 84 including (but not by way of limitation) Senior Managers, members of the Management Committee of Door 84, paid staff (whether full-time, part-time or ad-hoc), volunteers, sessional workers, project workers, agency staff and students.

1: Financial Objectives:

1.1: Door 84 aims to operate within its budget each year to be able to continue to provide a service to our beneficiaries

1.2: Door 84 will seek to finance its core activities through income streams that are as secure and long-term as possible

1.3: Door 84 will raise funds from a portfolio of sources as set out in the fund-raising strategy.

2: General Points:

2.1: The financial year runs from 1st April to 31st March

2.2: Accounts will be drawn up after each financial year, be presented and approved, after independent examination, at the Annual General Meeting, and uploaded to the Charity Commission website.

2.3: Door 84 is required to have an independent examination each year.

3: The Strategic Plan and Budget Approval:

3.1: The Executive Charity Manager in consultation with the Chair of Trustees and Treasurer will update the strategic action plan to present to the Management Committee for discussion and approval at their Feb/March meeting each year.

3.2: The Executive Charity Manager will draw up the budget following discussions with the Treasurer and the Finance and Fundraising Sub-Committee. This will include written explanations of the estimates and assumptions underlying the figures and identify potential risks. If opportunities arise mid-year, the budget for projects will be prepared by the Executive Charity Manager in consultation with the Treasurer.

4: Reporting and Monitoring Income and Expenditure:

4.1: The Treasurer in consultation with the Finance Officer and Finance and Governance Sub-Committee will produce regular reports which provide clear financial information to underpin decision making. Reports to each Management Committee meeting will include comparison of income and expenditure to date against budget, and forecast income and expenditure to year-end against budget, explanations of any material variances from plan, and suggestions for corrective action where necessary.

4.2: The Executive Charity Manager is expected to manage projects within the approved budget and to notify the Treasurer immediately if they foresee any material differences in income or expenditure. If a forecast shows an unplanned deficit overall, the Executive Charity Manager will inform the Treasurer immediately and seek their approval prior to making any commitments that would result in that deficit.

The aim of the policy is to ensure that expenditure is only incurred when it is:

- In pursuance of Door 84's charitable purposes
- An effective use of Door 84's resources
- In compliance with any requirements relating to funding

4.3: Staff need to be aware that Door 84 is committed to expenditure when an order is placed, or contract is signed, not when the payment is made, so it is vital that orders are made responsibly and within the approved budget and authority levels. Any spending beyond the budget must be authorised in accordance with the delegated authorities.

5: Procurement, Estimates and Tendering:

5.1: To ensure value for money for significant purchases, research should be carried out on the goods or services. Written quotes should then be obtained, or the contract put out for tender, dependent on value.

Value of Purchase	Action Required (minimum)	Approval by
Up to £1500	No quotes or preferred supplier	Executive Charity Manager

£1,500 to £5,000	Minimum of two written quotes	A trustee or Treasurer approval with ECM
Over £5,000	ECM and Trustees will agree on the most appropriate way forward	A trustee or Treasurer approval with ECM

5.2: In the rare cases a tender process is required, refer to the guidelines in (Appendix1.).

6: Invoices/receipts:

6.1 All invoices should be sent to the Finance Officer for payment and be authorised by the relevant person. The Finance Officer is responsible for processing and recording all invoices on the password-protected software Xero.

7: Bank Account Policies:

7.1: Bank accounts in Door 84’s name must only be used for Door 84 business; they must not be used to receive or transfer money for the private benefit of individuals or third parties.

7.2: The opening or closing of bank accounts, and the approval/removal of signatories on bank accounts is determined by the F&GSC and reported to the Management Committee and recorded in the minutes.

7.3: The costs and benefits of Door 84’s banking arrangements will be reviewed every three years to ensure that bank charges and rates of interest are competitive and that the bank’s credit rating continues to be acceptable.

7.4: Any withdrawals from bank accounts, online payments, standing orders, and direct debits are to be authorised by the relevant person(s) depending on the amount stated in Table 5.1

7.5: The ECM and Treasurer are responsible for keeping records of all bank accounts and ensuring that the bank mandate is kept up to date.

8: Bank Account Procedures:

8.1: There are 3 signatories to the bank accounts who can sign cheques and authorise online payments, standing orders, and direct debits, these are: the Executive Charity Manager, Community Manager and Youth Manager. Payments will be reviewed by the Treasurer on a regular basis.

8.2: No person can authorise any payment involving themselves or any related party with the exception of payroll which is checked by the Finance Officer and reconciled through Xero..

8.3: The use of multiple payments to circumvent the authorised signing limits is not allowed except for payroll payments or if Trustee approval has been received.

8.4: The Executive Charity Manager and Finance Officer are responsible for keeping documents, setting up payments by direct debit or standing order, recording all income and expenditure, project coding, and bank statements using Xero.

9: Debit Card Policy:

9.1: Door 84 has two debit cards allocated to ECM and the Youth Manager. The cards are not to be used by any other persons. Card details must not be shared.

9.2 The debit card limit for cash withdrawals is £1500 and must be authorised by the Treasurer.

10: Cash Handling Policy:

10.1: Cash is the asset most obviously at risk of misappropriation and fraud. To ensure the security of our cash and the protection of our staff, please follow our procedures: Count after each session or event using the coin machine.

Bag the cash.

Put it in the safe.

Document the totals on the income spreadsheet (Appendix 2.).

11: Safety of Staff:

11.1: When banking or collecting cash, the safety of staff is paramount. Staff and volunteers should on no account put themselves into situations of danger and should give up/not seek to recover cash or valuables if in physical danger.

12: Reimbursements of expenses:

12.1: On the rare occasion that staff have to purchase on behalf of Door 84, reimbursement will be authorised by the ECM on the production of receipts or invoices.

13: Accounting Records Policy:

13.1: Door 84 will keep accounting records recorded on Xero.

14: Bank Reconciliations:

14.1: Bank reconciliations are carried out weekly using Xero.

15: Due Diligence Policy on Accepting Funds:

15.1: Door 84 must exercise due diligence prior to grant applications accepting significant donations and ensure that any funds accepted:

- Fulfil our mission
- Are not in conflict with our values
- Do not present a risk to our reputation or independence.

To inform decisions, Door 84 will evaluate the profile of the funder or donor, taking into consideration the original sources of their funding, the purpose of the funds, and whether any conditions attached are reasonable, ethical, and achievable. Where the Executive Charity manager is uncertain about the outcome of the suitability of these funds, further consultation with the Treasurer and /or the Trustees must take place.

16: Insurance:

16.1: Door 84 maintains appropriate insurance cover always, both to cover our legal obligation and to underpin our duty to protect our staff, assets, and resources. This will include:

- employers' liability insurance to cover both staff, Trustees, and volunteers - public liability insurance
- contents and building insurance

Door 84 reviews its policies annually and Executive Charity Manager is responsible for providing its insurer/broker with a detailed and accurate schedule of activities and inclusions to be covered.

The Executive Charity Manager is responsible for ensuring all insurance policies are current and appropriate documentation is maintained.

17: Delegation of Authority:

17.1: The Management Committee recognises that the Executive Charity Manager has day-to-day responsibility for management of the organisation and implementation of organisational policies, but that accountability remains with them.

17.2: The Management Committee are responsible for:

- Approving the finance strategy, risk management register and reserves policy - Approving Door 84's financial policies and key financial procedures - Establishing financial management priorities, responsibilities, and levels of delegated authority
- Approving properly budgeted annual plans
- Monitoring performance against these plans and budgets, and approving budget variations above £5,000
- Approving the trustees annual report and accounts
- Appointing the independent examiner/auditor and formal communications with them.

17.3: The Executive Charity Manager is responsible for:

- Preparing, and presenting for approval, properly budgeted annual plans, in

- collaboration with the Treasurer.
- Reviewing Door 84's activities regularly, monitoring compliance with organisational policies, and reporting to the Management Committee against agreed performance standards.
- Ensuring that all staff and volunteers understand their responsibilities under these procedures
- Risk management.

17.4: The Treasurer is responsible for:

- Ensuring that finance systems and processes which support these policies are set up, documented, and implemented
- Ensuring that sufficient records are maintained to show and explain Door 84's transactions, to disclose accurately, the financial position of Door 84 at any time - Managing the budgeting process for the annual plan
- Presenting financial reports at each Management Committee meeting which give an understanding of Door 84's overall finances, and giving advice and information to support decision making
- Liaising with the independent examiner/auditor to produce the statutory accounts.

17.5: Reserves policy

Door 84 will maintain a designated close-down reserve equivalent to 3 months operating costs.

Reserves are part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes.

Door 84 maintains free unrestricted reserves:

- To provide a level of working capital that protects the continuity of our core work - To provide a level of funding for unexpected opportunities
- To provide cover for risks such as unforeseen expenditure or unanticipated loss of income.
- The Management Committee will review the above and may at times designate funds from free reserves for significant project costs or replacement of major assets.

17.6: Conflict of interest policy

Trustees have a legal duty to act in Door 84's best interests when making decisions, and to declare a conflict of interest immediately they are aware that there is a possibility that their personal or other business interests could influence their decision making. Door 84 expects a similar obligation from staff and volunteers.

This table summarises the levels of authority required for key financial actions in Door 84.

AREA OF AUTHORITY: LIMITS APPLIED:	DESIGNATED PERSONS:
Total Budget variations Over £5,000	Management Committee
Board Member expenses Up to £100 Over £100	Treasurer + another Trustee

Transfers between Door 84 bank accounts	No limit	Executive Charity Manager
Payments to Payroll (HGH) for Monthly wage bill	Up to £20,000	Executive Charity Manager

Notes

1. Annual Accounts are produced and examined by Hunter Gee Holroyd Chartered Accountants in York who also administer the payroll and pension scheme (NEST) 2. The accounts are also annually examined by Botting & Co
3. The accounts are submitted annually to the Charity Commission
4. Financial reports are made by the Treasurer to the management committee quarterly.

Appendices:

Appendix 1. Tender process

- Agree specification for the service or product and the requirements of the supplier including quality issues
- Advertise as widely as possible through local networks and contacts, and place opportunity on Door 84 website, allowing a minimum of three weeks for responses
- Ensure the advertisement gives clear information about how to apply
- Send out the specification to interested parties with full information of how to submit a tender
- Evaluate responses based on the specification by a panel of at least two, preferably three people
- Shortlist if necessary
- Invite shortlisted supplies for interview/presentation where required – for specific products and some services the purchase can be made based on the quote, however for other services such as consultancy, it is desirable to interview potential suppliers. For some high value products or services, it may be worth considering inviting a shortlist of suppliers to make a presentation.
- Take up references if appropriate
 - Award to supplier issuing appropriate contract checked by legal advisor

Appendix 2.

Income spreadsheet stored on Google Drive

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docs.google.com/spreadsheets/gTCcXK5Kj25AKXWVYyW4Q25eKXAPXJHNSN4YU6MU5e7nUjedk#gid=1110955430

Door 84 Income Record Sheet - Cash and Cheque Payments

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A1	A	B	C	D	E	F	G
1	Session Day/ Project Name/ Name Of Trip/ Donations From/ Event	Entrance/ Name Of YP Trip Income/ Tuck/ Donation For	Amount £	Cash/ Cheque	Recorded By	To Be Coded To:	CH
2	01/07						
3	02/07						
4	03/07 Monday Youth	Entrance	£8.00	Cash	Chris	457117301640	
5	03/07 10+	Entrance	£5.00	Cash	Sophie	457117301640	
6	03/07 10+	Trip	£3.00	Cash	Sophie	457117301630	
7	04/07 Community Sparks Tuesday session	Entrance	£37.00	Cash	Kath	457117301637	
8	04/07 Tuesday Youth	Entrance	£13.00	Cash	George	457117301634	
9	05/07 Wednesday Youth	Entrance	£10.00	Cash	George	457117301630	
10	06/07 CS Disco	Entrance	£31.00	Cash	Ol	457117301635	
11	07/07 Community Cafe	Donations	£23.00	Cash	Ol	457117301633	
12	08/07 Community Party	Donations	£41.34	Cash	Ol	457117301632	
13	12/07 Monday Youth	Entrance	£5.00	Cash	Chris	457117301567	
14	12/07 10-25	Entrance	£8.00	Cash	Sophie	457117301569	
15	13/07 Community Sparks Tuesday session	TRIP ENTRANCE	£30.00	CASH	Kath	457117301660	
16	13/07 Tuesday Youth	Entrance	£10.95	Cash	Jas	457117301560	
17	12/07 Wednesday Youth	Entrance	£10.00	Cash	Jas	457117301665	
18	12/07 Trip	Trip	£66.00	Cash	Jas	457117301666	
19	13/07 CS Disco	Entrance	£50.00	cash	Kath	457117301571	
20	14/07 Community Cafe	Donations	£15.00	cash	Ol	457117301572	
21	16/07 Community Party	Donations	£48.39	cash	Ol	457117301573	
22	17/07						
23	18/07						
24	19/07						
25	20/07						
26	21/07						
27	22/07						
28	23/07						

March 2023 April 2023 May 2023 June 2023 July 2023 August 2023 September