Donington Community Centre: Financial Controls Policy (Including Digital Authorization)

1. Overall Responsibility

The **Treasurer** is responsible for the day-to-day management of the Centre's finances. However, the entire **Management Committee** is jointly responsible for overseeing financial integrity and enforcing the controls outlined below.

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2. Banking and Accounts

- **Bank Accounts:** All Centre funds must be held in accounts designated solely for the Donington Community Centre.
- **Account Control:** The Treasurer currently holds sole control and signing authority over the Centre's primary bank account. **The Management Committee accepts this risk, provided that the strict dual-verification controls in Section 4 are followed.**
- **Recommendation:** The Committee recommends moving towards a system requiring **two (2) authorized signatories** for all transactions over £100.00 to mitigate future risk.

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3. Income and Revenue Handling

- **BACS Income:** The **Bookings Administrator** must reconcile online hire fee payments against the booking calendar weekly.
- **Cash Handling:** All cash takings (from the bar or Centre-run events) must be counted by **two (2) separate individuals** immediately after the event. A signed reconciliation sheet must be completed and cash must be banked promptly.

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4. Expenditure and Digital Authorization (Critical Control)

Due to the single signatory arrangement, strict digital authorization is mandatory for all non-Treasurer-approved expenditure.

A. Authorization Thresholds & Procedure

Transaction Value	Required Authorization	Procedure
Up to £100.00	Treasurer only	Treasurer pays and files the original receipt.
£100.01 to £500.00	Treasurer **PLUS one (1) additional Committee Member** (e.g., Chair/Secretary).	Requires **email approval** from the second Committee member *before* the Treasurer executes payment.
Over £500.00	**Majority vote** of the Committee.	Must be approved via **formal vote** at a convened Committee meeting and recorded in the official minutes *before* payment.

B. Digital Authorization Rules

1. **Email Only:** Authorization is only valid if received via **email**. Approvals via chat groups (e.g., WhatsApp) are **not valid** for audit purposes.
2. **Clear Request:** The Treasurer must initiate the request via email, attaching the **original invoice or receipt** and clearly stating the supplier, amount, and purpose.
3. **Explicit Approval:** The authorizing Committee member(s) must reply with explicit written consent (e.g., "**I approve** this payment of £150.00 for cleaning supplies.")
4. **Audit Trail:** The Treasurer must **print or digitally archive** the entire email chain (invoice + approval emails) and file it with the financial records to serve as the auditable evidence of authorization.

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5. Financial Reporting and Control

- **Bank Statement Review:** The **Committee Secretary or Chair** must be provided with bank statement copies **monthly**. They are required to **independently review and reconcile** these statements against the Treasurer's reports to verify all transactions match authorized expenditures.

- **Financial Records:** All financial documents must be retained for a minimum of **seven (7) years**.
- **Conflict of Interest:** Any Committee member with a financial interest in a supplier must declare the interest and **must not vote or authorize** payment for that supplier. This must be recorded in Committee minutes.