

Financial Policy for CASK Research Foundation

1. Purpose

This financial policy is designed to ensure transparency, accountability, and effective management of finances for CASK Research Foundation, a small charity with an annual turnover of approximately £40,000. It aims to provide guidance on budgeting, spending, financial reporting, and internal controls to safeguard the organization's resources and maintain donor trust.

2. Budgeting

Annual Budget: The charity will develop an annual budget outlining projected income and expenses, including fundraising targets, program costs, and administrative expenses.

Board Approval: The budget will be presented to the Board of Trustees for approval before the start of each fiscal year.

Monitoring and Review: Regular monitoring of actual income and expenses against the budget will be conducted, and adjustments may be made as necessary with board approval.

3. Financial Controls

Segregation of Duties: Where possible, responsibilities for financial tasks such as budgeting, record-keeping, authorization of expenditures, and reconciliation will be segregated among different individuals to prevent fraud, errors or conflict of interest.

Authorization Procedures: All expenditures must be authorized by an authorized individual, typically the CEO or Treasurer, according to predetermined spending limits. Any expenditure over £200 must be agreed by more than one individual.

Expense Documentation: Proper documentation, such as invoices, receipts, and contracts, must accompany all expenditures for review and record-keeping purposes.

Expense Approval Process: The Board of Trustees must approve expenses related to scientific research projects, including pre-approval for budgeted expenses and post-expenditure review. Detailed documentation and justification for all expenses is required.

4. Financial Reporting

Regular Reporting: Financial reports summarizing income, expenses, and cash flow will be prepared on a regular basis and presented to the Board of Trustees for **review biannually (May/June and November/December).**

Annual Financial Statements: The charity will produce annual financial statements in accordance with applicable accounting standards for transparency and accountability. **April/May**

Accessibility: Ensure financial reports are timely, accurate, and presented in a format accessible to stakeholders, including the board of directors and donors.

5. Cash Management

Bank Accounts: The charity will maintain a bank account(s) in its name for depositing income and making payments. It currently uses NatWest.

Cash Reserves: A minimum of £1500 will be reserved as cash reserves to cover running costs or to mitigate cash flow fluctuations.

Investment Policy: Surplus funds may be invested in low-risk, interest-bearing accounts or investments to generate additional income for the charity, subject to approval by the Board of Trustees.

Cash Handling Procedures: Cash must be securely stored for minimum time possible, and deposited as soon as possible into designated bank accounts. Detailed records of cash receipts and disbursements to be sent to Treasurer, with regular reconciliations to ensure accuracy.

Foreign Currency Treatment: Timely conversion to the charity's primary currency to minimize exchange rate risk. Document foreign currency transactions accurately and transparently in financial records.

6. Fundraising and Income Generation

Diversification: The charity has diverse fundraising activities to reduce reliance on any single source of income.

Transparency: Donors and supporters are provided with clear information about how their donations are used and the impact they have on the charity's programs and beneficiaries. This is shared via our social media platforms and our monthly newsletter.

7. Compliance and Legal Obligations

Tax Compliance: The charity will comply with all applicable tax laws and regulations, including filing annual tax returns and maintaining records as required by law.

Regulatory Reporting: Any reporting requirements imposed by regulatory bodies or funding agencies will be fulfilled accurately and in a timely manner.

Transparency and Accountability: Maintain transparent and accountable financial records accessible to relevant stakeholders. Ensure compliance with regulatory requirements and best practices in financial reporting.

8. Internal Controls

Maintain internal controls to safeguard assets, prevent fraud, and ensure compliance with financial policies and regulatory requirements. Conduct periodic reviews and audits of financial processes to identify and address any weaknesses or discrepancies.

9. Review and Revision


Regular Review: This financial policy will be reviewed annually by the Board of Trustees to ensure its effectiveness and relevance to the charity's operations.

Revision: Amendments to the policy may be made as necessary to reflect changes in the charity's operations, regulatory environment, or best practices in financial management.

10. Conclusion

This financial policy provides a framework for the prudent and responsible management of CASK Research UK's finances. By adhering to these guidelines, the charity aims to uphold the trust of its donors, beneficiaries, and stakeholders while maximizing its impact in the community.

[Signature Eizabeth Cook]

Signed by:

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[Date 22/07/2024]