



Stonehaven Mountaineering and Hillwalking Club

Financial Policy

Note: where possible, we are able to provide a copy of this policy in more accessible / different formats

Target audience: Members and potential members of Stonehaven Mountaineering and Hillwalking Club (SMHC)

Purpose: To set out SMHC's aims and commitments to the management of the financial activities of the Club.

1. Policy Statement

No matter how new or how small your community group is, you need to be financially accountable to your members and any funders or donors.

Financial accountability means being able to demonstrate that all transactions are recorded, all payments are authorised, all necessary financial information is available, and nothing goes astray.

For all of this you need to have financial controls in place. The following are the areas of good practice in place in order to maintain the standards of financial management for the SMHC.

2. The Treasurer

The Club must nominate an appropriate treasurer to take responsibility for recording and managing all money. However, **the whole SMHC Committee is responsible for the money of the Club, not just the Treasurer.** The Treasurer must have an appropriate skillset and (preferable but not essential) prior experience of book keeping and financial management.

3. Financial records

The Club must keep a proper record of money, and must have

- A cash book (or similar computerised system) to write down all items coming in and going out – the cash book must be kept up to date
- A paper filing system for receipts and invoices.

4. Financial Reporting

In accordance with the Constitution the membership fees will cover a period from 1st April to 31st March the following year and will be paid at or after the AGM which is held no later than 30th November each year.

A summary of the finances will be compiled by the Treasurer and agreed by the SMHC Committee members before being presented at the AGM. These will be aligned with months immediately prior to the AGM – typically 1st November to 31st October the following year.

If the annual income exceeds £10,000 then the accounts should also be checked by an independent person.

The financial summary will also show an ongoing budget covering the planned activities for the next year, how much it will cost to run upcoming activities and how much is needed to be kept in reserve.



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5. Regular Reporting to the Committee

The Treasurer provides reports to the SMHC Committee at every meeting. This includes a summary of the money coming in and going out since the previous meeting. This is essential because the whole SMHC Committee has responsibility for the Club's money, not just the Treasurer.

6. Bank Account

The Club has a bank account set up in its own name. The account has a cheque book, a paying-in book and is provided with monthly bank statements. The statements will be used to reconcile what money has gone in and out of the bank. No debit card has been issued as all transactions take place via BACS. If the Club is issued with a debit card then all withdrawals and transactions should be closely monitored and must be approved by the Committee beforehand.

7. Signing cheques

Two people out of a pool of three or four authorised signatories must sign each cheque; the two signatories on a cheque must not be related or living in the same household. The pool of people must be agreed at a Committee meeting and must go in person to the bank with proof of identity in order to become authorised signatories. Any money to be spent must be approved by the Committee beforehand. No one must sign a cheque that is payable to them or to someone who is related to them or living in the same household. No one should ever sign a blank cheque. This is to protect the signatories, in case of fraud. All cheque stubs/records must be filled in with the date, who it is payable to and the amount.

8. Money Coming In

All income the Club receives must be documented in the cash book / online accounts. Any cash or cheques received must be promptly paid into the bank account. It is very important to keep an up to date record of all the money coming in, to balance the books at the end of the year.

9. Money Going Out

All expenditure the Club makes must be documented in the cash book / online accounts. Every payment must have paper evidence to support it e.g., an invoice or receipt. Each invoice paid must be signed by the Treasurer stating the date on which it was paid and, if paid by cheque, the cheque number. Cash should only be paid in exchange for a receipt (no exceptions) and all items must be for Club activities.

10. Petty Cash

The Club does not currently operate a Petty Cash system.

11. Expenses

Money can only be claimed by Committee or Club members for out-of-pocket expenses such as:

- Merchandise costs (such as calendars or club accessories)
- Stationery or postage
- Hire of transport
- Event expenses – such as supermarket items at weekends where a meal is provided.



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The Committee may decide to pay money for other out of pocket expenses. This must be agreed at a committee meeting. No member of the group can be paid for their time.

6. When is this policy reviewed?

The Committee will review the policy itself at intervals of no less than three years.

Version	Author	Date	Reviewed / Approved
0.1 Draft	Karen Yarnold	May 2023	Reviewed – Roger Owen
1.0	Karen Yarnold		