



## Finance policy May 2023

Financial transparency is essential to the running of our organisation, as are robust procedures to support good financial planning and decision making. Financial responsibility and accountability lie with the Board of Directors (hereafter, the Board) of the organisation. See additional document, Financial Processes.

Music Anywhere CIC;

- Will not incur any liabilities it is not able to meet
- Will be transparent in all financial dealings (outside of a commercially sensitive nature)
- Will ensure prompt payment from debtors
- Will not extend credit (beyond invoicing against activity)
- Will ensure that all funds are maximised and used for the benefit of the organisation
- Will demonstrate best practice in managing its finances, operating at minimal risk to benefit

Accurate records of all transactions will be kept digitally and appropriate training will be provided to staff to meet these responsibilities. All paper and digital financial records will be held for 6 years in addition to the financial year to which they relate.

An accountant will be employed to make up the annual accounts after 5 April (and no later than 30 June), which will be submitted to Companies House and made available in the impact report and accounts at the annual general meeting (AGM).

Bank accounts have at least two named signatories, currently the Managing Director, Treasurer (Director) and Chair (Director).

### Responsibilities

The Board, made up of Directors (registered at Companies House) hold ultimate responsibility for all financial transactions and must satisfy themselves that the finances of the organisation are well managed.

This includes interrogating management information on a quarterly basis and receiving (and understanding) monthly financial information which will include;

- Profit and loss
- Balance sheet
- Forecast against activity (with budget to date)

The Managing Director and Treasurer work together to ensure appropriate information is provided to the Board. The Managing Director is responsible for providing the information and providing access to information for Directors.



Directors are named signatories on the bank accounts and can check these at any time.

The Board is responsible for approving financial transactions except where these fall below £200.00 as per the Scheme of Delegation.

### **Annual forecasting and budget approval**

The budget and forecast is presented to the Board for approval by the Managing Director, who accepts questions and amendments.

The Managing Director will prepare the budget and forecast against activity for the proceeding period (e.g. quarterly, annual). These will be agreed and accepted by the Board before use and resubmitted to the Board wherever necessary.

All forecast and budget documentation will include the previous tax year wherever possible, to allow for comparison (income and expenditure against activity i.e. what have we done with our money).

The Managing Director will work closely with the Treasurer on all financial matters, ensuring accountability and responsibility is held equally by the Directors of Music Anywhere.

The Managing Director is responsible for the maintenance and veracity of information held in Music Anywhere systems (e.g. Quickbooks and AirTable) pertaining to finance and activity and payment of bills and invoices. They are additionally responsible for accurate financial records and receipts across the organisation.

The Board is responsible for appointing the external auditor or independent examiner as required, whilst the accountant will be sought by the Managing Director and approved by the Board.

The Board has ultimate responsibility for reviewing this policy and is directly responsible for agreeing any amendments to it.

### **Petty cash**

Petty cash will only be held for the purpose of events and banked as soon as practical thereafter.