



Internal Financial Controls Policy

December 2025

Purpose

This policy, which applies to all trustees and volunteers managing finances, outlines controls to ensure:

- Proper use of the Foundation's funds
- Compliance with charity law and governing documents
- Asset protection
- Financial transparency and accountability
- Prevention of errors or fraud

Roles

Trustees have overall financial responsibility for internal financial control, including reviewing financial updates, defining and enforcing financial policies and procedures, and approving the Foundation's annual accounts.

The Foundation Treasurer and the Fete Committee Treasurer (together "the Treasurers") shall manage their respective financial records, prepare regular financial updates, reconcile bank statements, and oversee cash management.

Financial reporting

The Treasurers shall provide a financial update at each trustee/committee meeting including:

- Recent income & expenditure
- Current bank balances
- Future financial commitments and required funding

The Foundation Treasurer shall prepare the Foundation's annual accounts, arrange for the annual Independent Examination, obtain Trustee board approval, and submit the accounts to the Charity Commission in accordance with reporting requirements.

Donations and Gift Aid:

The Treasurers shall reconcile their respective online donations and maintain up-to-date records. They shall ensure that all Gift Aid donor declarations are in place before making a claim and retain all declarations for 6 years.

Cash management for fundraising events

The Foundation Treasurer shall ensure that clear instructions are in place for managing cash receipts at any fundraising events, other than the Beaulieu Village Fete, which will be the responsibility of the Fete Treasurer. Two people should count the cash, complete and sign the Cash Counting Sheet, and promptly

Beaulieu Common Good Foundation

Internal Financial Controls Policy

(Cont'd)

DRAFT

hand it to the Treasurer. Volunteers should not take cash home; it must be banked by the Fete Treasurer as soon as possible, within 2–3 working days.

Key financial controls

The trustees prioritise good governance and strong financial management through effective internal controls and risk procedures. The Foundation undertakes a risk-based approach to undertaking due diligence on all individuals and organisations that donate to, or receive funds from, the Foundation. This is set out in the Foundations [Due diligence, Monitoring and Verification Policy](#).

The Foundation Treasurer shall ensure that the Foundation's bank accounts remain fully operational, including keeping bank mandates up to date with at least 3 signatories registered on the mandate for each bank account.

The trustees and Fete Committee members shall ensure that all goods and services acquired are for the advancement of the Foundation's objects. Payments shall be approved in advance by either the Trustee board or the Fete Committee (or other committee) as permitted under agreed terms of reference. All grant payments shall comply with the Foundation's [Grant Making Policy](#)

All bank payments, whether by cheque or electronic transfer, shall be authorised by two approved signatories and be supported with invoices or other external documentation.

The Treasurers shall ensure that the bank accounts are regularly reconciled and any discrepancies reported to trustees.

Assets

An asset register shall be maintained for any physical assets, including fete equipment.

Fraud

No single individual should have complete control over any financial process. Any concerns about a potential misuse of funds must be reported to the Foundation's chairman and investigated by at least two trustees not involved in the allegation.

Insurance

The trustees shall ensure that appropriate 3rd-party liability insurance is in place.

Investment

The trustees shall place surplus funds on deposit with a reputable bank. They shall not otherwise invest the Foundation's monies in equities, cryptocurrencies or any other speculative or unregulated investments.

Retention

Financial records shall be retained for at least six years

Review

This policy shall be kept under periodic review by the trustees.