



## Financial Policy

### 1. Purpose

This policy sets out how Gags for Good CIC manages, records, and reports its finances to ensure accountability, transparency, and sustainability.

Our aim is to use all resources responsibly to further our community purpose: improving confidence, wellbeing, and inclusion through comedy and creativity.

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### 2. Scope

This policy applies to:

- All directors, staff, and volunteers who handle money or make financial decisions.
  - All income and expenditure related to Gags for Good CIC, including grants, ticket sales, donations, and expenses.
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### 3. Financial Principles

Gags for Good CIC will:

- Use all funds **solely for community benefit** in line with our CIC Objects.
  - Maintain accurate and up-to-date financial records.
  - Ensure spending decisions are **approved and documented**.
  - Keep personal and company finances strictly separate.
  - Operate with transparency, integrity, and value for money.
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### 4. Financial Responsibilities

- The **Board of Directors** has overall responsibility for financial management.
- A nominated **Finance Lead / Treasurer** oversees day-to-day financial administration, reporting, and budgeting.
- All directors are responsible for ensuring sound financial decision-making.

**Finance Lead:**

Name: April Thompson

Email: info@gagsforgood.org

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**5. Banking & Accounts**

- Gags for Good CIC will maintain a **dedicated business bank account** in the company's name.
  - All income (grants, ticket sales, donations, etc.) will be paid into this account.
  - Online banking access will be limited to authorised directors.
  - **Two authorisers** are required for any payment or transfer above £250 (or lower if agreed by the board).
  - Bank statements will be reviewed monthly and reconciled with accounting records.
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**6. Income Management**

- Income may come from grants, donations, ticket sales, sponsorship, or service contracts.
  - Receipts and remittance advice will be retained for all income.
  - Cash income (e.g. at events) will be counted by two people, recorded, and banked promptly.
  - Gift Aid will be claimed where applicable.
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**7. Expenditure & Authorisation**

- All expenditure must be approved by a director or authorised staff member.
  - Expenditure over **£500** requires board approval (unless pre-approved in a project budget).
  - All purchases will be supported by receipts or invoices.
  - No personal items may be bought using CIC funds.
  - Directors and staff must act in the CIC's best interests when procuring goods or services.
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## 8. Expenses & Payments

- Staff, volunteers, and directors may claim legitimate out-of-pocket expenses (e.g. travel, materials, parking, event costs).
  - Claims must be made on an **Expense Claim Form** with receipts attached.
  - Payments will be made by bank transfer within 14 days of approval.
  - Mileage will be reimbursed at HMRC's approved rate.
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## 9. Financial Records & Reporting

- Accurate financial records will be maintained using approved accounting software or spreadsheets.
  - The Finance Lead will prepare **monthly or quarterly reports** for the board.
  - Annual accounts will be prepared and submitted to **Companies House** and the **CIC Regulator** in line with statutory deadlines.
  - Records will be kept for a minimum of **six years**.
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## 10. Budgeting & Reserves

- An annual budget will be prepared and approved by the board.
  - Each project or grant will have its own budget, monitored monthly.
  - Surpluses will be reinvested into community projects and activities in line with the CIC's objectives.
  - A **reserves fund** will be maintained to ensure stability and manage unforeseen costs (target: 3–6 months of core running costs).
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## 11. Payments to Directors

- Directors may be paid for work carried out **beyond their statutory duties** (e.g. workshop delivery, project management, performance), provided:
    - The payment is reasonable and demonstrably furthers the CIC's community purpose.
    - The payment is approved by the board and recorded in meeting minutes.
    - Any conflicts of interest are declared and managed in line with the **Conflict of Interest Policy**.
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## **12. Grant Funding**

- All grant funds will be used for their specified purposes and reported according to funder requirements.
  - Evidence of expenditure (receipts, invoices, payroll) will be retained for auditing.
  - Any underspend or deviation from agreed budgets will be discussed with the funder before reallocation.
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## **13. Fraud Prevention**

- The CIC will maintain internal controls to prevent misuse or misappropriation of funds.
  - Any suspected fraud or financial irregularity must be reported immediately to the Finance Lead and Chair, who will investigate and report to the board.
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## **14. Audit & Review**

- Financial procedures will be reviewed annually.
  - Accounts may be independently examined or audited if required by law or funders.
  - Policy updates will be approved by the Board of Directors.
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### **Approved by the Board of Directors:**

Date: 13/11/2025



Signed:

(Chair/Director)

Review Date: 13/11/2026