



# THE BOTTESFORD INSTITUTE

Trustees: Bottesford Parish Council

## FINANCIAL REGULATIONS

Adopted by the Board of Trustees at The Bottesford Institute meeting on 09<sup>th</sup> June 2021

Signed: *Bob Bayman* (Acting Trustees' Chairman) Date: 9<sup>th</sup> June 2021

Signed: *Tony Bennett* (Treasurer to the Institute) Date: 9<sup>th</sup> June 2021

Date for Review: May 2022

## **FINANCIAL REGULATIONS STATEMENT**

The Bottesford Institute is a registered charity with the charitable duty to safeguard the Charity's income and to ensure it is used for public charitable purposes for the benefit of the inhabitants of the Parish of Bottesford.

To be well-run and conduct its business efficiently The Bottesford Institute needs to ensure that it has sound financial management policies in place and that they are strictly adhered to. Part of this process is the establishment of Financial Regulations, which set out the financial responsibilities of the Charity. Financial Regulations provide the framework for managing The Bottesford Institute's financial affairs effectively.

These procedures/regulations have been devised as a control to help The Bottesford Institute manage its financial affairs properly in compliance with all necessary requirements. These Financial Regulations reflect best practice and provides a practical source of advice to assist the Charity to deliver its services whilst ensuring compliance with Charity Commission guidelines.

Adherence to these Financial Regulations will help The Bottesford Institute to control and manage spending, ensure due probity of transactions and allow decisions to be informed by accurate accounting information. They also protect The Bottesford Institute's Board of Trustees and individual Trustees in that if they have complied with the regulations, they cannot be subject to criticism.

Financial Regulations apply to all Trustees, staff and anyone acting on behalf of the of The Bottesford Institute or its Board of Trustees. These Financial Regulations govern the conduct of the financial transactions of the Charity.

As a 'working document' these Financial Regulations are to be used as a reference point in the The Bottesford Institute's day to day business.

These Financial Regulations will be reviewed annually and may only be amended or varied by resolution of the The Bottesford Institute's Board of Trustees.

These Financial Regulations were adopted by The Bottesford Institute at its meeting held on 09<sup>th</sup> June 2021.

# THE BOTTESFORD INSTITUTE

## FINANCIAL REGULATIONS

### Index

	Page
1. General	4
2. Accounting and Audit (Internal Audit & External Audit)	5
3. Annual Estimates (Budget) and Forward Planning	6
4. Budgetary Control and Authority to Spend	7
5. Banking Arrangements and Authorisation of Payments	7
6. Instructions for the Making of Payments	8
7. Payment of Salaries	9
8. Loans and Investments	10
9. Income	11
10. Orders for Work, Goods and Services	11
11. Contracts	11
12. Payments Under Contracts for Building and Other Construction Works	12
13. Assets, Properties and Estates	13
14. Insurance	13
15. Risk Management	14
16. Suspension and Revision of Financial Regulations	14
 Version Control Record	 15

# THE BOTTESFORD INSTITUTE

## FINANCIAL REGULATIONS

### 1. GENERAL

- 1.1. These financial regulations govern the conduct of financial management by The Bottesford Institute and may only be amended or varied by resolution of The Bottesford Institute's Board of Trustees. Financial Regulations are one of the Charity's three governing policy documents providing procedural guidance for Trustees, officers, staff and volunteers. Financial Regulations must be observed in conjunction with The Bottesford Institute's Constitution and its Standing Orders.
- 1.2. The Charity is responsible in law for ensuring that its financial management is adequate and effective and that The Bottesford Institute has a sound system of internal control which facilitates the effective exercise of the Charity's functions, including arrangements for the management of risk.
- 1.3. The Bottesford Institute's accounting control systems must include measures:
  - For the timely production of accounts.
  - That provide for the safe and efficient safeguarding of charitable monies.
  - To prevent and detect inaccuracy and fraud. and
  - Identifying the duties of Trustees.
- 1.4. These financial regulations demonstrate how The Bottesford Institute meets these responsibilities and requirements.
- 1.5. At least once a year, prior to approving the Annual Return submission to the Charity Commission, The Bottesford Institute must review the effectiveness of its system of internal control which shall be in accordance with proper practices.
- 1.6. The Bottesford Institute's Board of Trustees are expected to follow the instructions within these Regulations and not to entice individual Trustees, staff or volunteers to breach them. Failure to follow instructions within these Regulations brings the Board of Trustees and the office of Trustee into disrepute.
- 1.7. The Clerk to The Bottesford Institute has been appointed as the Responsible Financial Officer (RFO) for The Bottesford Institute and these regulations will apply accordingly.
- 1.8. The Responsible Financial Officer (RFO):
  - Acts under the Constitution and other governing policies of Charity.
  - Administers the Charity's financial affairs in accordance with all Acts, Regulations, Charity Commission guidelines and proper practices.
  - Determines on behalf of the Charity its accounting records and accounting control systems.
  - Ensures the accounting control systems are observed.
  - Maintains the accounting records of the Charity up to date in accordance with proper practices.
  - Assists the Charity to secure economy, efficiency and effectiveness in the use of its resources. and
  - Produces financial management information as required by the Charity and/or the Charity Commission.
- 1.9. The accounting records determined by the Responsible Financial Officer (RFO) shall be sufficient to show and explain the Charity's transactions and to enable the Responsible Financial Officer (RFO) to ensure that any income and expenditure account and

statement of balances, or record of receipts and payments and additional information, as the case may be, or management information prepared for the Charity from time to time comply with the Charity Commission's Accounts & Annual Return requirements, as well as other Accounts and Audit Regulations.

1.10. The accounting records determined by the Responsible Financial Officer (RFO) shall in particular contain:

- Entries from day to day of all sums of money received and expended by the Charity and the matters to which the income and expenditure or receipts and payments account relate.
- A record of the assets and liabilities of the Charity. and
- Wherever relevant, a record of the Charity's income and expenditure in relation to claims made, or to be made, for any loan, contribution, grant or subsidy.

1.11. The accounting control systems determined by the Responsible Financial Officer (RFO) shall include:

- Procedures to ensure that the financial transactions of the Charity are recorded as soon as reasonably practicable and as accurately and reasonably as possible.
- Procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records.
- Identification of the duties of Trustees and/or officers dealing with financial transactions and division of responsibilities of those Trustees and/or officers in relation to significant transactions.
- Measures to ensure that risk is properly managed.

1.12. The Charity is not empowered by these Regulations or otherwise to delegate certain specified decisions and as such the following decisions **must** be taken by The Bottesford Institute's Board of Trustees:

- Setting and approving the annual budget.
- Approving accounting statements.
- Approving the Annual Return, Accounts and Trustee Annual Report for submission to the Charity Commission.
- Borrowing and/or taking out loans against the Charity's assets.
- Writing off bad debts.
- Addressing recommendations in any report from the internal or external auditors.

All the above items shall be a matter for the full Board of Trustees only.

1.13. In addition, the Charity must:

- Determine and keep under regular review the bank mandate for all Charity's bank accounts.
- Determine and keep under regular review its grant commitment and criteria levels. (Currently minimum grant **£100**, maximum **£1,500** although in exceptional cases **£2,500**).

## **2. ACCOUNTING AND AUDIT (INTERNAL & EXTERNAL AUDIT)**

2.1. All accounting procedures and financial records of the Charity shall be determined by the Responsible Financial Officer (RFO) in conjunction with the Board of Trustees and be in accordance with the Accounts and Audit Regulations, appropriate guidance and proper practices.

2.2. On a regular basis, at least half yearly, and at each financial year end, a member of the Board of Trustees, other than a Trustee appointed to serve on the Management

Committee (i.e. Chairperson, Secretary and Treasurer) shall be appointed to verify bank reconciliations (for all accounts) produced by the Responsible Financial Officer (RFO). The appointed Trustee shall sign the reconciliations and the original bank statements as evidence of verification.

- 2.3. The Responsible Financial Officer (RFO) shall complete the annual statement of accounts, Trustee's annual report, and any related documents (i.e. certification/audit) required as part of the Annual Return submission to the Charity Commission as soon as practicable after the end of the financial year. Confirmation of submission of the Annual return to the Charity Commission is to be reported by the Responsible Financial Officer (RFO) to the next meeting of the Board of Trustees.
- 2.4. The Charity shall ensure that there is an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any Trustees, officers, staff and volunteers of The Bottesford Institute shall make available such documents and records as appear to the Responsible Financial Officer (RFO) to be necessary for the purpose of the audit and shall supply the internal auditor and/or external auditor with such information and explanation as considered necessary for that purpose.
- 2.5. The internal auditor shall be appointed by and shall carry out the work in relation to internal controls required by the Charity in accordance with proper practices.
- 2.6. The internal auditor shall:
  - Be competent and independent of the financial operations of the Charity.
  - Report to Charity in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year.
  - To demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships.
  - Have no involvement in the financial decision making, management or control of the Charity.
- 2.7. The Responsible Financial Officer (RFO) shall, without undue delay, bring to the attention of the Board of Trustees any correspondence or report from internal or external auditors.

### **3. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING**

- 3.1. The Responsible Financial Officer (RFO) together with the Management Committee, appointed with delegated powers by the Charity's Board of Trustees, shall review the Charity's three-year forecast of revenue and capital receipts and payments. Having regard to the forecast, they shall thereafter formulate and submit proposals for the Charity's operation for following financial year to the Board of Trustees at The Bottesford Institute's Annual General Meeting (AGM) not later than the end of **April** each year including any proposals for revising the forecast.
- 3.2. The Bottesford Institute's Board of Trustees shall consider annual budget proposals in relation to the Charity's three-year forecast of revenue and capital receipts and payments including recommendations for the use of reserves and sources of funding and update the forecast accordingly.
- 3.3. The approved annual budget shall form the basis of financial control for the ensuing year.

#### **4. BUDGETARY CONTROL AND AUTHORITY TO SPEND**

4.1. Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by:

- Items above **£500** - The Bottesford Institute's Board of Trustees.
- Items below **£500** - Management Committee (appointed by the Charity's Board of Trustees).
- Items below **£200** - Clerk to The Bottesford Institute, in conjunction with a Management Committee Trustee.
- Grant Awards above **£1** - The Bottesford Institute's Board of Trustees  
(*Note. All grant awards to be formally approved by the Board of Trustees*).

Such authority is to be evidenced by a Minute or by an authorisation signature where necessary on a relevant/appropriate document that subsequently retained.

Contracts may not be disaggregated to avoid controls imposed by these regulations.

- 4.2. No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of The Bottesford Institute's Board of Trustees.
- 4.3. With the resolution approval of The Bottesford Institute's Board of Trustees after having given full consideration to the implications, unspent and available amounts may, during the budget year, be moved to other budget headings or to an earmarked reserve as appropriate ('virement').
- 4.4. No expenditure shall be authorised in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless The Bottesford Institute's Board of Trustees is satisfied that the necessary funds are available and the requisite borrowing approval has been obtained.
- 4.5. All capital works shall be administered in accordance with the Charity's standing orders and financial regulations relating to contracts.
- 4.6. The Responsible Financial Officer (RFO) shall regularly provide the Board of Trustees with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose "material" shall be in excess of **£100** or **10%** of the budget.
- 4.7. Changes in earmarked reserves shall be approved by The Bottesford Institute's Board of Trustees as part of the budgetary control process.

#### **5. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS**

- 5.1. The Bottesford Institute's banking arrangements, including the bank mandate, shall be made by the Responsible Financial Officer (RFO) and approved by The Bottesford Institute's Board of Trustees. They shall be regularly reviewed for safety and efficiency. The Charity shall seek credit references in respect of Trustees, officers and staff who act as signatories.
- 5.2. The Responsible Financial Officer (RFO) shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the meeting of The Bottesford Institute's Board of Trustees or the Management Committee. The Trustees shall review the schedule and related invoices for compliance and having satisfied themselves shall authorise payment by a resolution of the Board of Trustees or the Management Committee (*whichever applicable due to amounts involved*). The detailed schedule of

payments shall be disclosed within or as an attachment to the Minutes of the meeting at which payment was authorised.

- 5.3. All invoices for payment shall be examined, verified and certified by the Responsible Financial Officer (RFO) to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the Charity.
- 5.4. The Responsible Financial Officer (RFO) shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The Responsible Financial Officer (RFO) shall take all steps to pay all invoices submitted, and which are in order, at the earliest opportunity.
- 5.5. In respect of grants the Charity shall approve expenditure within the limits and criteria set by The Bottesford Institute's Board of Trustees and in accordance within the Grant Application Policy & Procedures document approved by the Charity. All grants shall before payment, be subject to ratification by resolution of The Bottesford Institute's Board of Trustees.
- 5.6. Trustees are subject to the Code of Conduct and Conflict of Interest guidelines that have been adopted by the Charity and shall comply with the guidelines (*Constitution – Section 7*) and the Code (*Standing Orders – Section 14*) when a decision to authorise or instruct payment is made in respect of a matter in which they have a disclosable pecuniary or other interest, unless a dispensation has been granted.

## **6. INSTRUCTIONS FOR THE MAKING OF PAYMENTS**

- 6.1. The Charity will use safe and efficient arrangements for the making of its payments.
- 6.2. Following authorisation under Financial Regulation 5 above, the Board of Trustees or the Responsible Financial Officer (RFO) shall give instruction that a payment shall be made.
- 6.3. All payments shall be affected by cheque or other instructions to the Charity's bankers, in accordance with a resolution of The Bottesford Institute's Board of Trustees.
- 6.4. Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to the Board of Trustees or Management Committee shall be signed by two members of The Bottesford Institute's Board of Trustees in accordance with a resolution instructing that payment. A Trustee who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances, be a signatory to the payment in question.
- 6.5. To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.
- 6.6. Cheques or orders for payment shall normally be presented for signature at a Board of Trustees or Management Committee meeting (including immediately before or after such a meeting).
- 6.7. If thought appropriate by The Bottesford Institute's Board of Trustees, payment for certain items may be made by BACS or CHAPS methods provided that the instructions for each payment are signed, or otherwise evidenced, by two authorised bank signatories, are retained and any payments are reported to the Board of Trustees as made. The approval of the use of BACS or CHAPS shall be renewed by resolution of The Bottesford Institute's Board of Trustees at least every three years.



- 6.8. If thought appropriate by The Bottesford Institute's Board of Trustees payment for certain items may be made by internet banking transfer provided evidence is retained showing which Trustees approved the payment.
- 6.9. Where a computer requires use of a personal identification number (PIN) or other password(s), for access to the The Bottesford Institute's records on that computer, a note shall be made of the PIN and Passwords and shall be handed to and retained by the Chairman of Bottesford Parish Council in a sealed dated envelope. This envelope may not be opened other than in the presence of the Chairman of Bottesford Parish Council and a Trustee from The Bottesford Institute's Board of Trustees' Management Committee. After the envelope has been opened, in any circumstances, the PIN and/or passwords shall be changed as soon as practicable. This will not be required for a member's personal computer used only for remote authorisation of bank payments.
- 6.10. No Trustees, officers or staff shall disclose any PIN or password, relevant to the working of the Charity or its bank accounts, to any person not authorised in writing by the The Bottesford Institute's Board of Trustees or a duly delegated Management Committee.
- 6.11. Regular back-up copies of the Charity's records on any computer shall be made and shall be stored securely away from the computer in question, and preferably off site.
- 6.12. The Bottesford Institute's Board of Trustees, and any officers or staff using computers for the Charity's financial business, shall ensure that anti-virus, anti-spyware and firewall software with automatic updates, together with a high level of security, is used.
- 6.13. Where internet banking arrangements are made with any bank, the Clerk to The Bottesford Institute as the Responsible Financial Officer (RFO) shall be appointed as the Service Administrator. The bank mandate approved by the Board of Trustees shall identify three Trustees who will be authorised to approve transactions on the basis of 'two from three' on those accounts. The bank mandate will state clearly the amounts of payments that can be instructed by the use of the Service Administrator alone, or by the Service Administrator with a stated number of approvals.
- 6.14. Access to any internet banking accounts will be directly to the access page (which may be saved under "favourites"), and not through a search engine or e-mail link. Remembered or saved passwords facilities must not be used on any computer used for The Bottesford Institute's banking work. Breach of this Regulation will be treated as a very serious matter under these regulations.
- 6.15. Any Debit Card issued for use will be specifically restricted the Clerk to The Bottesford Institute as the Responsible Financial Officer (RFO) and will also be restricted to a single transaction maximum value of **£200** unless authorised by The Bottesford Institute's Board of Trustees in writing via a resolution before any order is placed.
- 6.16. The Bottesford Institute or the Clerk to The Bottesford Institute will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the Clerk to The Bottesford Institute (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly.

## **7. PAYMENT OF SALARIES**

- 7.1. As an employer, The Bottesford Institute shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by The Bottesford Institute's Board of Trustees, or its duly delegated Management Committee.

- 7.2. Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions must be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts.
- 7.3. No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of The Bottesford Institute's Board of Trustees or its duly delegated Management Committee.
- 7.4. Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a separate confidential record (confidential cash book). This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:
  - By any Trustee who can demonstrate a need to know.
  - By the internal auditor.
  - By the external auditor.
- 7.5. The total of such payments in each calendar month shall be reported with all other payments as made as may be required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.
- 7.6. An effective system of personal performance management should be maintained for the officers and staff.
- 7.7. Before employing any interim staff, The Bottesford Institute's Board of Trustees must consider a full business case.

## **8. LOANS AND INVESTMENTS**

- 8.1. All borrowings shall be in accordance with Charity Commission guidelines.
- 8.2. All borrowings shall be affected in the name of The Bottesford Institute, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by The Bottesford Institute's Board of Trustees as to terms and purpose. The application for borrowing approval, and subsequent arrangements for the loan shall only be approved by special meeting of The Bottesford Institute's Board of Trustees.
- 8.3. All loans and investments shall be negotiated in the name of the The Bottesford Institute and shall be for a set period in accordance with The Bottesford Institute's Board of Trustees' policy, as agreed from time to time.
- 8.4. The Bottesford Institute's Board of Trustees shall consider the need for an Investment Strategy and Policy which, if drawn up, shall be in accordance with Charity Commission guidelines, relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the Board of Trustees at least annually.
- 8.5. All investments of money under the control of the Charity shall be in the name of The Bottesford Institute.
- 8.6. All investment certificates and other documents relating thereto shall be retained in the custody of Clerk to The Bottesford Institute as the Responsible Financial Officer (RFO).
- 8.7. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of Payments) and Regulation 6 (Instructions for the Making of Payments) above.

## **9. INCOME**

- 9.1. The collection of all sums due to the Charity shall be the responsibility of and under the control of the Clerk to The Bottesford Institute as the Responsible Financial Officer (RFO).
- 9.2. Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the Board of Trustees, notified to the Responsible Financial Officer (RFO) who shall be responsible for the collection of all accounts due to The Bottesford Institute.
- 9.3. The Board of Trustees will review all fees and charges at least annually, following a report by the Clerk to The Bottesford Institute as the Responsible Financial Officer (RFO).
- 9.4. All sums received on behalf of The Bottesford Institute shall be banked intact as directed by the Responsible Financial Officer (RFO). In all cases, all receipts shall be deposited with the Charity's bankers with such frequency as the Responsible Financial Officer (RFO) considers necessary.
- 9.5. Personal cheques shall not be cashed out of money held on behalf of The Bottesford Institute.
- 9.6. The Responsible Financial Officer (RFO) shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.

## **10. ORDERS FOR WORK, GOODS AND SERVICES**

- 10.1. An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.
- 10.2. Order books shall be controlled by the Responsible Financial Officer (RFO).
- 10.3. All Trustees, officers and staff are responsible for obtaining value for money at all times. A Trustee, officer or staff issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any *de minimis* provisions in Regulation 11.1 below.
- 10.4. The Responsible Financial Officer (RFO) shall verify the lawful nature of any proposed purchase before the issue of any order, including that the expenditure has been duly authorised/approved by resolution (where applicable) and the decision Minuted.

## **11. CONTRACTS**

- 11.1. Procedures as to contracts are laid down as follows:
  - a. Every contract shall comply with these Financial Regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i.) to (iv.) below:
    - i. For the supply of gas, electricity, water, sewerage and telephone services.
    - ii. For specialist services such as are provided by legal professionals acting in disputes, including solicitors, accountants, surveyors and planning consultants.
    - iii. For work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant.

- iv. For work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by The Bottesford Institute.
- b. When applications are made to waive Financial Regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the The Bottesford Institute.
- c. Such invitation to tender shall state the general nature of the intended contract and the Clerk to The Bottesford Institute shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Clerk to The Bottesford Institute in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.
- d. All sealed tenders shall be opened at the same time on the prescribed date by the Clerk to The Bottesford Institute in the presence of The Bottesford Institute's Board of Trustees.
- e. Any invitation to tender issued under this Regulation shall be subject to The Bottesford Institute's Standing Orders, 'Financial Controls and Procurement' (SO-19), particularly sub-sections 'c' to 'g', and shall refer to the terms of the Bribery Act 2010.
- f. When it is to enter into a contract of less than **£25,000** in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a.) above:
  - The Clerk to The Bottesford Institute as the Responsible Financial Officer (RFO) shall obtain **3 quotations** (priced descriptions of the proposed supply).
  - Where the value is below **£3,000** and above **£100** the Clerk to The Bottesford Institute as the Responsible Financial Officer (RFO) shall strive to obtain **3 estimates**.

Otherwise, Regulation 10.3 above shall apply.
- g. The Bottesford Institute shall not be obliged to accept the lowest or any tender, quote or estimate, however in such cases the Responsible Financial Officer (RFO) shall report to the next meeting of The Bottesford Institute's Board of Trustees the reasons/justifications for such decision being made.
- h. Should it occur that The Bottesford Institute's Board of Trustees, or the duly delegated Management Committee, does not accept any tender, quote or estimate, the work is not allocated and The Bottesford Institute requires further pricing, provided that the specification does not change, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision-making process was being undertaken.

## **12. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS**

- 12.1. Payments on account of the contract sum shall be made within the time specified in the contract by the Responsible Financial Officer (RFO) upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).
- 12.2. Where contracts provide for payment by instalments the Responsible Financial Officer (RFO) shall maintain a record of all such payments. In any case where it is estimated that the total cost of work carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more a report shall be submitted to The Bottesford Institute's Board of Trustees.

- 12.3. Any variation to a contract or addition to or omission from a contract must be approved by The Bottesford Institute's Board of Trustees and Clerk to the contractor in writing, The Bottesford Institute being informed where the final cost is likely to exceed the financial provision.

### **13. ASSETS, PROPERTIES AND ESTATES**

- 13.1. The Clerk to The Bottesford Institute shall make appropriate arrangements for the custody of all Title Deeds and Land Registry Certificates of properties held by the Charity. The Responsible Financial Officer (RFO) shall ensure a record is maintained of all properties held by the The Bottesford Institute, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.
- 13.2. No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of The Bottesford Institute's Board of Trustees, together with any other consents required by law or from the Charity Commission, save where the estimated value of any one item of tangible movable property does not exceed **£250**.
- 13.3. No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of The Bottesford Institute's Board of Trustees, together with any other consents required by law or from the Charity Commission. In each case a report in writing shall be provided to the Board of Trustees in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case and details of the Charity Commission's requirements.
- 13.4. No real property (interests in land) shall be purchased or acquired without the authority of The Bottesford Institute's Board of Trustees. In each case a report in writing shall be provided to the Board of Trustees in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case and details of the Charity Commission's requirements.
- 13.5. The Clerk to The Bottesford Institute as the Responsible Financial Officer (RFO) shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

### **14. INSURANCE**

- 14.1. Following the annual risk assessment (per Regulation 15), the Clerk to The Bottesford Institute as the Responsible Financial Officer (RFO) shall affect all insurances and negotiate all claims with The Bottesford Institute's insurers.
- 14.2. The Responsible Financial Officer (RFO) shall promptly address all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 14.3. The Responsible Financial Officer (RFO) shall keep a record of all insurances effected by The Bottesford Institute and the property and risks covered thereby and annually review it.
- 14.4. The Responsible Financial Officer (RFO) shall be notified of any loss liability or damage or of any event likely to lead to a claim, and shall report these to The Bottesford Institute's Board of Trustees at the next available meeting.

- 14.5. All appropriate Trustees, officers, staff and volunteers of The Bottesford Institute shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined annually by The Bottesford Institute's Board of Trustees or its duly delegated Management Committee.

## **15. RISK MANAGEMENT**

- 15.1. The Bottesford Institute is responsible for putting in place arrangements for the management of risk. The Clerk to The Bottesford Institute as the Responsible Financial Officer (RFO) shall prepare, for approval by the Board of Trustees, risk management policy statements in respect of all activities of the Charity. Risk policy statements and consequential risk management arrangements shall be reviewed by The Bottesford Institute's Board of Trustees at least annually.
- 15.2. When considering any new activity, the Clerk to The Bottesford Institute shall prepare a draft risk assessment including risk management proposals for consideration and adoption by The Bottesford Institute's Board of Trustees.

## **16. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS**

- 16.1. It shall be the duty of The Bottesford Institute's Board of Trustees to review the Financial Regulations of the Charity from time to time. The Clerk to the Bottesford Institute shall make arrangements to monitor changes in Charity Commission guidelines, legislation or proper practices and shall advise the Board of Trustees of any requirement for a consequential amendment to these Financial Regulations.
- 16.2. The Bottesford Institute's Board of Trustees may, by resolution of the Board of Trustees duly notified prior to the relevant meeting of The Bottesford Institute, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risks arising has been drawn up and presented in advance to all members of Board of Trustees.

# THE BOTTESFORD INSTITUTE

## FINANCIAL REGULATIONS

### Version Control Record

Ref.	Date of Update	Details of Amendments/Changes	BI Approval Minute
1	09 <sup>th</sup> June 2021	Writing a set of Financial Regulations.	??*/21
2			
3			
4			
5			
6			