

POLICY AND PROCEDURE



SoLO
Life
Opportunities

38 Walnut Close
Chelmsley Wood
Birmingham
B37 7PU

Charity No. 1102297
England Company No.
5025939

Internal Controls

Category: finance

INTRODUCTION

The trustees of SoLO will implement and maintain a strong system of internal controls (ICs) throughout the organisation.

POLICY STATEMENT

Definition of Internal Controls

ICs are the checks and procedures that help to:-

1. Safeguard the assets of the charity
2. Ensure the reliability and integrity of financial information to ensure that management and trustees have accurate, timely information to control the operation of the charity.
3. Ensure compliance with all applicable legislation and accounting standards as well as the reporting requirements of our funders.

Responsibility

1. The trustees as a body are responsible for establishing, implementing and monitoring SoLO's ICs
2. The trustees have delegated this responsibility to the treasurer who will work with the Senior Management Team and Finance Manager on this task.
3. Staff are required to adhere to the IC procedures.

Framework for Internal Control

1. A sound control environment is created by trustees and management through communication, attitude and example.
2. Risk assessment identifies the areas where the greatest risk of loss or inaccuracies occurs. Internal controls will concentrate on these areas.
3. Controls will be reviewed annually
4. Preventative controls aim to deter the instance of errors or fraud through good documentation and authorisation practices.
5. Detective controls aim to identify undesirable occurrences after the fact; a typical example would be counting the cash and squaring it to the ledger.

Criminal Financial Abuse

Criminal financial abuse includes bribery, theft, fraud, and money laundering. SoLO's ICs include sections dealing with these topics.

Segregation of duties

A key feature of internal financial controls is to ensure that no single individual has sole responsibility for any single action from authorisation to completion and review.

Limited staff numbers in small organisations such as SoLO can make full segregation of duties difficult.

Location of Internal Control Procedures

Internal Controls and Procedures are located on the shared drive and accessible to any core staff member who has access to the password protected server. They are also available on the password protected staff page of the website.

Schedule of Internal Control Procedures

Please refer to the procedure manual Financial Internal Controls.

Details include:

- Budgeting Controls
- Accounting Controls
- Purchasing Controls
- Expense Claim Controls
- Bank Controls
- Credit Card Controls
- Income Controls
- Payroll Controls
- Supplier Controls