Merry Go Round Toy Libraries
Exeter Scrapstore
Gordon Road
Exeter
EX1 2DH

Tel 01392 436777
coordinator@mgrtoylibrary.org
www.mgrtoylibrary.org

**Financial Rules of Merry Go Round Toy Libraries.**

**1.      Introduction**

Merry Go Round Toy Libraries is a registered charity, number 1100532. Our charity trustees make up the management committee, which is elected at the Annual General Meeting.

The management committee is responsible for ensuring that the group is well managed and that we look after our income properly and put it to best use.

We will keep appropriate financial records, including:

* an account book recording all the transactions in the bank accounts
* bank statements
* a cash book
* details of all funds received
* invoices and other receipts for all payments
* PAYE records for our paid workers.

All financial records are kept for at least 7 years, or the statutory minimum if that is longer.

Our financial year ends on 31 March. Our AGM is usually held in October/November.

The Toy Library Manager will draw up accounts at the end of the financial year and have them examined by the Treasurer. The annual accounts will be presented to the Annual General Meeting for approval. Totals will be registered with the Charity Commission.

Before the start of the financial year, we will set a budget for the following year. This is reviewed throughout the year.

The Toy Library Manager produces a financial report at each committee meeting showing monies received, payments, and remaining funds. It also shows expected future receipts and payments and is discussed by the committee as necessary.

**2.      Bank accounts**

We have two current cheque accounts (Merry Go Round and Spinning Top Toy Library) and a contingency account with Barclays bank, Exeter branch.

The contingency account contains restricted funds to cover staff redundancy and sickness payments. The amount held is reviewed each year.

Any bank transactions will go through our current accounts. To withdraw money from the contingency account, we shall first transfer it to the current account and withdraw it from there. If we pay money into the contingency account, it will be as a transfer from the current account.

Two members of the management committee plus the Toy Library Manager will be signatories to the accounts.

All cheques will be signed by two of the signatories. We expect that one of these will be the Treasurer. If not, we will give the Treasurer full details of the payment.

We will ask the bank to provide statements every month and will check the statements against our account book. This is done by the Toy Library Manager each month and regularly checked by the Treasurer.

**3.      Income**

All payments for toy hire and membership fees are made through on our online website via Stripe, with payments from Stripe paid directly into MGR’s current account once a week.

When we receive cash at play days or other events, two members of the group will count up the cash, make a note of the total and inform the committee of the amount raised. This will be banked and details entered into the bank book

Card payments by customers may be made using the Zettle card machine. Details of these are recorded in the bank book.

We will record details of cheques received in the account book and bank the cheques within one month.

The Toy Library Manager will keep files of paperwork relating to the cheques (e.g. grant award letters or copies of receipts issued by the group).

**4.      Buying goods and services**

Our management committee will agree any order over £200 in advance. This will either be shown in our annual budget or discussed at a meeting during the year.

The Toy Library Manager will keep a file of all the paperwork and check firms’ invoices before making payments.

**5.      Payments by cheque, direct debit, bank transfer or ATM card**

We will not sign a cheque without paperwork to support the payment.

We will not authorise payments by direct debit or by bank transfer (BACS) without paperwork to support the payment.

BACS payments must be authorised by two signatories who have access to our online banking.

The Toy library Manager is authorised to use the debit card for online payments up to a maximum of £200. These payments are regularly checked by the Treasurer. Any online payments of over £200 are first agreed by the committee

Our community accounts do not support use of an ATM card.

Two signatories are required on each cheque. One of these will be the Treasurer or Toy Library manager.

We will never sign a blank cheque.

 Cheque stubs will be completed at the time of payment.

 We will record details of payment on the paperwork:

* cheque number / type of payment
* date
* who signed the cheque / payment form

We shall write details of all cheque or online payments in the account book.

**6.      Petty cash**

We do not regularly use petty cash but if there was a need to make a payment in cash (for example for refreshments) we will ensure that this was recorded in the cash book and that all incoming cash was recorded before being used as petty cash.

**7.   Staff wages**

We will keep records of staff wages in accordance with PAYE and National Insurance regulations.

Staff are paid by BACS transfer each month and PAYE/ National Insurance contributions are paid online using the debit card by the Treasurer.

**This Policy was adopted by:**

**The Board of Trustees at Merry Go Round Toy Libraries as documented in Committee Meeting Minutes dated 14th March 2024.**

**Date of Next Policy review: March 2025**