

Financial Regulations for Spadesbourne Homes Limited

1. Introduction

These Financial Regulations set out the principles and procedures for managing the financial affairs of Spadesbourne Homes Limited. Spadesbourne Homes is wholly owned by Bromsgrove District Council and operates as a limited company.

2. Responsibilities

The Board of Directors (appointed by Bromsgrove District Council) is responsible for overseeing financial matters.

All staff including Directors, employees and contractors must comply with these regulations.

All staff shall act in accordance with Bromsgrove District Council's anti-fraud and anti-corruption policies.

Any financial irregularities should be reported to the Board of Directors and the Section 151 Officer for Bromsgrove District Council.

3. Budgeting and Financial Planning

A Director shall be appointed to prepare an annual budget in consultation with the Board.

The budget shall be approved by the Board and submitted to Bromsgrove District Council for review through the Shareholders Committee

Regular financial forecasts shall be prepared to monitor performance against the budget and reported on a quarterly basis to the Shareholders Committee.

4. Procurement and Contracts

Procurement shall follow Spadesbourne Homes procurement policy.

All contracts shall be approved in accordance with the scheme of delegation in place in Section 13.

Orders shall not be issued for goods, work or services without appropriate funding being in place as approved by the Board of Directors.

5. Orders and Payments

No payment shall be made without an authorised order, unless otherwise agreed by two Directors.

All orders given on behalf of Spadesbourne Homes Limited will be approved in electronic or written form in accordance with authorised signatory limits.

Works, goods and services received are checked to ensure they are in accordance with the order and payments are certified by a Director.

All appropriate payment documentation are retained and stored for the defined period (in accordance with Bromsgrove District Council Records Management Policy).

References to certification and authorisation are deemed to include those made online within a system where the identity of the user is verified using the system's identification protocols.

6. Income and income collection

The Board of Directors will agree arrangements for the collection of all income and approve systems and procedures. These must ensure that income due is identified, charged correctly and billed promptly, paid into Spadesbourne Homes Limited's bank account and properly recorded.

Write offs for uncollectable debts must be approved two Directors from the Board and those above £5,000 will be reported through to the Shareholders Committee on an annual basis.

7. Financial Reporting

Financial reports shall be provided to the Board on a regular basis, including income, expenditure, and cash flow.

Annual financial statements shall be prepared in accordance with accounting standards.

The Directors shall ensure timely submission of financial reports to the Shareholders Committee.

8. Banking and Investments

Spadesbourne Homes Limited shall maintain a bank account for its operations. The Board of Directors shall be authorised to open and operate such bank accounts as considered necessary. This authority shall include the power to give necessary direction to the bank as to signatures for withdrawals.

Surplus funds shall be invested in accordance with Bromsgrove District Council's investment policy. Cash flow will be managed by Council Finance staff on a daily basis and negotiations will be undertaken with the Council regarding a facility for short term borrowing.

9. Controls

The Directors shall establish and maintain effective internal controls.

Regular internal audits shall be conducted to assess compliance with these regulations. An annual external audit will be required to be undertaken by an external / independent auditor.

10. Financial Records

Proper financial records shall be maintained, including invoices, receipts, and bank statements.

Records shall be retained as required by law and in accordance with the Bromsgrove District Council Records Management policy.

11. Reporting to Bromsgrove District Council

Spadesbourne Homes Limited shall provide regular financial updates to Bromsgrove District Council through the Shareholders Committee

Any significant financial issues shall be promptly reported to Bromsgrove District Council.

12. Review and Amendments

These regulations shall be reviewed annually by the Board.

Amendments shall be approved by the Board. Appropriate assurance should be undertaken to ensure that any amendments to the regulations are in accordance with Bromsgrove District Council Financial Procedure Rules.

13. Scheme of delegation and urgent decisions

Directors are able to approve up to £10,000 individually. Any expenditure above this threshold will require sign off by more than one Director.