



Kennett Community Land Trust

Finance and procedures Policy

Kennett Community Land Trust is a Community Benefit Society registered with the FCA under number 7443, registered office 66 Station Road, Kennett, Newmarket CB8 7QF

1 Purpose

This policy sets out the principles, responsibilities, and procedures for financial management within Kennett Community Land Trust (KCLT). It ensures the organisation maintains financial integrity, complies with legal and regulatory obligations, and uses resources effectively to support its social housing mission.

Kennett CLT is a Co-operative and Community Benefit Society Registered Charity
Registered Number 7443

2 Scope

This policy applies to all staff, Trustees, volunteers, and contractors involved in financial decision-making, transactions, or oversight on behalf of KCLT.

3 Principles

- **Transparency:** Financial decisions and records must be clear, accessible, and justifiable.
- **Accountability:** All financial activities must be traceable to responsible individuals.
- **Security:** Financial data and assets must be protected against misuse, fraud, or error.
- **Compliance:** All practices must align with UK law, Charity Commission guidance, and relevant housing regulations.
- **Value for Money:** Resources must be used efficiently to maximise social impact.

4 Roles and Responsibilities

Role	Responsibilities
Board of Trustees	Approves budgets, monitors financial health, ensures compliance
Treasurer	Oversees all financial operations, reporting, and controls
	Implements financial strategy, ensures operational compliance
Senior Management	Manage departmental budgets, authorise spending within limits
All Staff	Follow financial procedures, report concerns or irregularities

5 Financial Planning and Budgeting

- Annual budgets must be prepared in line with strategic objectives.
- Budgets are approved by the Board before the start of each financial year.
- Variance analysis is conducted quarterly, with corrective actions documented.

6 Income Management

- Funding for Trust activity must be recorded promptly; Funding will primarily be sourced from:
 - Revenue rental from property rental
 - Sale of Shared Ownership Homes and Self Build Plots
 - Grant funding*
 - Donation
 - Membership fees
- Restricted funds must be used only for their intended purpose.
- Gift Aid and other tax reliefs must be claimed where eligible.

*Grants with onerous or significant terms and conditions must be discussed and approved by the full Board at an ordinary meeting, or approved by a duly delegated subcommittee. The Board should always be made aware of grants received and their terms and conditions

7 Payments and Expenditure

All spending must be authorised in accordance with the Transaction Authorisation set out in Appendix A.

Payment of Invoices for Trust Business

- Agreement in principle to spend the Trust's funds on an activity or investment must be done at a Trust Board Meeting.
- All transactions from the Trust's Business Account will be carried out utilising the Banker's Automated Clearing System (BACS) by Direct Credit.
- All invoices will be forwarded to the Treasurer. A quotation should, where possible, be provided in advance of each invoice to enable pre-authorisation if required.
- Payment of all Invoices must be supported by an Invoice Payment Authorisation (Appendix B) with two authorisation signatures completed.

Individual Expenses

- Individual Expenses incurred for Trust business must be pre-authorised prior to being undertaken.
- All Individual Expense claims are to be submitted on an approved KCLT Expense Claim form (Appendix C) and supported by a receipt or invoice. Claims should be submitted to the Treasurer for action.
- Authorisers are unable to authorise their own expense claims

8 Financial Controls

Bank Account Policy

This policy sets out the requirements for use of bank accounts, including opening, closing authorisation and variations to terms and conditions.

Opening Bank Accounts

Any new bank accounts to be opened for the business must have the authorisation of the CLT Board.

For each new bank account opened, the financial system must be updated, and the bank account registered by the Treasurer.

Bank Account Authorisations

- All transactions are carried out utilising the Bankers Automated Clearing System (BACS) and payments out of KCLT bank account are by Direct Credit
- Dual authorisation is required for payments over £500
- Bank reconciliations are completed monthly.
- Cash handling is minimised and subject to strict controls.
- Financial systems must be secure and backed up regularly

Variations to Bank Account

Variations to banking arrangements can only be made or varied by the Board of the CLT. The Treasurer is responsible for updating the financial system and/or bank account register with the new information.

Closing Bank Accounts

Where it is decided that a bank account is no longer necessary, the Board will authorise the closure of the bank account.

9 Reserves and Investments

- A Deposit Bank Account will be opened once there are sufficient surplus funds from income from property rental.
- When funds allow KCLT aims to maintain a minimum reserve of 5% of borrowings to ensure sustainability.
- Investments must align with ethical guidelines and be approved by the Board

10 Reporting and Audit

- Monthly management accounts are reviewed by Chair of Trustees.
- Quarterly financial reports are presented to the Board of Trustees.
- Annual accounts are prepared in accordance with t UK legislation and sector-specific regulations and audited externally.
- KCLT complies with all reporting requirements to funders and regulators.

11 Fraud and Irregularities

- All staff must report suspected fraud or financial misconduct immediately.
- Investigations are conducted confidentially and in line with the Whistleblowing Policy.
- Proven misconduct may result in disciplinary action or legal referral

12 Equality, Diversity and Inclusion

KCLT is committed to promoting equality, diversity, and inclusion in all aspects of its work. We believe that embracing diversity strengthens our community, enhances our services, and reflects our core values of respect, fairness, and integrity.

We aim to create an environment where everyone feels valued, respected, and empowered—regardless of their background, identity, or circumstances.

We will apply this policy consistently and fairly and will not discriminate against anyone based on any protected characteristics, including those set out in the Equality Act 2010

14 Review and Monitoring

- This Finance and Procurement policy will be reviewed every two years or in response to significant changes in law, regulation, or organisational structure.

15 Related Policies and Documents

The following documents are referred to in conjunction with this Whistleblowing Policy.

- Procurement Procedure
- Regulatory Compliance and Self-Referral Policy
- Anti Bribery Policy
- Whistle Blowing
- Conflict of Interest Policy
- Privacy Policy
- Equality, Diversity and Inclusion Policy
- Customer Feedback and Complaints Policy

16 Policy Review Record

Version Number	Status	Revision Date	Summary of Changes
Version 02	Approved	October 2025	Policy review for Registered Provider application.

Appendix A

Transactions Authorisation

Banking transactions are carried out by Trustee Authorisers who have signature authorisation to make payments. The Authorisers are:

- The Chairman of the Trustee Board
- The Board of Trustees Secretary
- The Board of Trustees Treasurer

Any one of the authorisers is able to both authorise and initiate payment.

Authorisation Particulars

- Authorisers will be responsible for the authorisation of invoices and individual expenses
- For sums in excess of £500, dual authorisation is required.
- A single authorisation is satisfactory for sums less than £500.
- For sums in excess of £1000 authorisation by the Trustee Board is required.

Appendix B



Kennett Community Land Trust

Invoice Payment Authorisation

Payee	
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Date	Description	Amount
Total		£

Bank	
Account Name:	
Sort Code:	
Account Number:	

Authorised	
Authorised	

Appendix C.



Kennett Community Land Trust

Expenses Claim

Claimant	
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Date	Description	Amount
Total		£

Bank	
Account Name:	
Sort Code:	
Account Number:	

Authorised	
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