# Bear Pit Theatre Financial Controls Policy

1. Policy Statement
The Bear Pit Theatre is committed to ensuring that its financial operations are conducted in a transparent, accountable, and efficient manner. This policy outlines the financial controls in place to safeguard the theatre's assets, ensure the reliability of financial reporting, and promote compliance with relevant laws and regulations.

2. Scope
This policy applies to all financial activities of the Bear Pit Theatre, including income, expenditure, assets, and liabilities.

3. Roles and Responsibilities
- The Board of Trustees is responsible for overseeing the theatre's financial management and ensuring that appropriate controls are in place.
- The Treasurer is responsible for implementing and monitoring financial controls on a day-to-day basis.
- All staff and volunteers involved in financial activities are responsible for complying with this policy.

4. Budgeting and Financial Planning
- The theatre will prepare an annual budget, which will be approved by the Board of Trustees.
- The budget will be regularly monitored and updated as necessary throughout the year.
- Any significant deviations from the budget must be approved by the Board of Trustees.

5. Income and Expenditure
- All income will be promptly recorded and banked intact.
- All expenditure must be authorised in accordance with the theatre's delegation of authority.
- All payments must be supported by appropriate documentation, such as invoices or receipts.
- Petty cash will be kept to a minimum and regularly reconciled.

6. Banking and Reconciliation
- The theatre will maintain bank accounts with reputable financial institutions.
- Bank reconciliations will be performed monthly and reviewed by the Treasurer.
- All cheques and electronic payments must be authorised.

7. Financial Reporting
- The Treasurer will prepare regular financial reports for the Board of Trustees, including income and expenditure statements, balance sheets, and cash flow forecasts.
- The theatre's financial statements will be reviewed annually by an independent auditor.

8. Asset Management
- Assets will be depreciated in accordance with applicable accounting standards.
- The disposal of any assets must be authorised by the Board of Trustees.

9. Reserves Policy
- The theatre will maintain adequate reserves to ensure financial stability and resilience.
- The target level of reserves will be determined by the Board of Trustees based on a risk assessment.

10. Fraud Prevention
- The theatre will implement robust controls to prevent and detect fraud, including segregation of duties, regular reconciliations, and review of unusual transactions.
- Any suspected fraud will be promptly investigated and reported to the Board of Trustees and relevant authorities.

11. Training and Support
- All staff and volunteers involved in financial activities will receive appropriate training and support.
- The Treasurer will be available to provide guidance and advice as needed.

12. Monitoring and Review
- The effectiveness of this policy will be monitored by the Board of Trustees and reviewed annually or sooner if required due to changes in legislation or circumstances.

This policy was last reviewed on 01 November 2024

Signed:

Chair of Trustees