

SPCF Financial Control Policy & Procedures

The Financial Control Policy is designed to ensure that the application of its income is applied solely towards the aims and objectives of the forum. It consists of:

- Management of financial records
- Banking arrangements
- Income
- Expenditure
- Payment to Volunteers
- Employees
- Other rules

Management of Financial Records

- 1) The Board agree to maintain financial records and preparing reports (a quarterly and an annual report).
- 2) The Board has delegated responsibilities for financial management to the Treasurer.
- 3) Financial records must be kept so that the forum:
 - has proper financial control of the organisation
 - meets its statutory obligations
 - meets the obligations and requirements of funders
- 4) Financial records must include:
 - a cashbook analysis of all transactions appearing on the bank accounts,
 - a petty cash record if cash payments are being made.
- 5) Accounts must be drawn up at the end of each financial year within three months of the end of the year, and presented to the next Annual General Meeting (AGM).
- 6) Prior to the start of each financial year, the forum will approve a budgeted income and expenditure account compiled by the Treasurer for the following year.
- 7) The Treasurer will prepare a comparative report comparing actual income and expenditure with the budget and present this to the Management Committee members on a regular basis (and at least every three months).
- 8) The Treasurer will be primarily responsible for paying for the work done on behalf of the organisation and the bills
- 9) Alongside the other Board members, the Treasurer will be responsible for purchasing goods and services. Invoices and receipts must be provided
- 10) The Treasurer will hold an asset register that documents any goods over the cost of £100 that have been purchased on behalf of the Forum. This should include details of the make, model, cost, and who is “holding” or using the equipment. Any

assets should be immediately returned to the forum if individual members stand down.

- 10) If the forum is a legally constituted group, the AGM will appoint an appropriately qualified auditor/independent examiner to audit/examine the accounts for presentation to the next AGM.

Banking arrangements

- 1) The forum will bank with National Westminster Bank at its Shirley branch and accounts will be held in the name of Solihull Parent Carer Forum.
- 2) A bank mandate (the list of people who can sign cheques on the forum's behalf) will be approved and minuted by the Management Committee, as will any changes to it.
- 3) The Treasurer will reconcile the bank account with the cash book at least every three months and confirm by email to the Management Committee that this has been done.
- 4) The forum will not use any other bank or financial institution, or use overdraft facilities or loan, without the previous agreement of the Management Committee.
- 5) The forum should aim to maintain a reserve in its account equal to three months of running costs, or £500, whichever is higher.

Income

- 1) All monies received by the forum will be recorded promptly in the cashbook and banked without delay.
- 2) Documentation for all income receipts will be retained for accounts purposes.

Expenditure

- 1) All expenditure should be on the forum's business, evidenced and properly authorised. Payments can be made by cheque, bank transfer or from petty cash.
- 2) If the forum wishes to maintain a petty cash float, the Treasurer or representative of the forum should be entrusted with this with the prior agreement of the Management Committee. When the float is more or less expended, a cheque will be drawn for sufficient funds to bring up the float to the agreed sum.
- 3) The approved budget provides the cheque signatories with authority to spend up to the budgeted expenditure and not beyond it.
- 4) The Treasurer will be responsible for holding the cheque book (unused and partly used cheque books), which should be kept in a secure place.

- 5) Each cheque will be signed by at least two members of the Management Committee, one of whom should be the Chair, Vice-Chair or Treasurer.
- 6) A cheque must **NOT** be signed by the person to whom it is payable.
- 7) Blank cheques will **NEVER** be signed.
- 8) The relevant payee's name will always be inserted on the cheque before signature, and the cheque stub will always be properly completed.
- 9) Every payment of expenditure must be evidenced by an original invoice and never against a supplier's statement or final demand. That original invoice will be retained by the forum and filed. The payer should ensure that the invoice is referenced, as appropriate with:
 - method and date of payment
 - cheque number and date cheque drawn.
- 10) The only exceptions to cheques not being supported by an original invoice are items such as advanced booking fees for a future course, deposit for a venue, VAT, etc. when a photocopy of the cheque will be kept until an invoice is received.

Payments to Volunteers

All planned volunteering activities should have the prior approval of the Management Committee.

- 1) Our standard policy is to **reimburse** volunteers, if asked, for reasonable out-of-pocket expenditure incurred whilst volunteering. This might include the costs of:
 - Travel to and from the place of volunteering, which will include
 - Public Transport
 - Taxi Fares
 - Private Vehicle mileage (subject to the level of HMRC approved mileage rates before tax becomes payable, which is currently 45p for the first 10,000 miles per year and 25p thereafter)
 - Passenger Payments payable to the private vehicle driver (currently 5p per mile per additional volunteer travelling to and from Forum activities)
 - Car parking charges
 - Meals or overnight accommodation incurred whilst volunteering if agreed in advance by the management committee
 - Childcare or care for other dependents whilst volunteering
 - Postage and stationery costs incurred on behalf of the Forum
 - Telephone calls made on behalf of the Forum

- Any equipment purchased to enable you to volunteer for the Forum
- Relevant training or materials needed for your voluntary role.

Reimbursement will only be considered on completion of our claim form and production of receipts or other evidence of expenditure incurred.

2) We also operate a discretionary scheme to **remunerate** parents, carers and other volunteers for their time, skills and expertise whilst volunteering on forum activities, including:

- Public Consultations, Meetings or Conferences organized by the Forum where you are involved in organizing or running the event
- Public Consultations, Meetings or Conferences organized by other organizations to which Forum members have been invited and are involved in representing the Forum specifically, and
- Training sessions for parents where you are the trainer or administering the session.
- If you wish to be remunerated for your time, skills or expertise you need to complete our claim form and all claimants will be expected to complete and return our Feedback form listing the main topics discussed at any event attended on behalf of the Forum.
- As the scheme is discretionary, instead of reimbursing you by cash or cheque for the time spent volunteering at an appropriate rate, we may offer you alternatives which might include an ex gratia payment or honoraria, a gift or a voucher
- This is taxable income, and may affect your entitlement to state benefits received. It is your sole responsibility to notify HMRC and any other relevant agencies from which you are claiming benefits of any payments received whilst volunteering. This applies to any form of remuneration or reimbursement from the Forum.
- This will not apply if you have been directly employed by the Forum or have an agreed contract for your services as a self-employed person or independent contractor or consultant for the Forum.
- We will declare any remuneration to HMRC and any other bodies required to have this information.

Employees

- 1) The forum has no current intention to employ staff. However, if the forum does take on employees, there must be a contract of employment and clear audit trail to evidence the need for such a post and for the independent selection of the staff member.
- 2) All staff appointments or departures will be authorised by the committee/steering group, minuting the dates and salary level. All changes in hours and variable payments (eg overtime) will be authorised by the Management Committee.
- 3) All employees will be paid within the PAYE and National Insurance regulations.

Other rules

- 1) The forum does not accept liability for any financial commitment unless properly authorised. Any orders placed or undertakings given which are likely to cost the forum in excess of £30 must be approved by at least 50% of the board and minuted by the Management Committee.
- 2) In exceptional circumstances, such undertakings can be made with approval of the Chairperson, who will then provide full details to the next meeting of the Management Committee.
- 3) Purchases of new goods or services over £50 will be subject to obtaining at least two quotes, and the subsequent decision based on value for money and minuted by the Management Committee.
- 4) Any member of the Management Committee who has a personal interest in, or connection to, an organisation or individual who is being paid by the forum (or intends to quote for work being commissioned by the forum) must declare this interest and have it minuted by the committee/ steering group.

DATE DISCUSSED / AGREED WITHIN FORUM – MEMBERS PRESENT

Signed: _____ Position: _____

Date: _____

Signed: _____ Position: _____

Date: _____

Signed: _____ Position: _____

Date: _____

This policy will be reviewed annually.

11/06/18