



## **The Suffolk Parent Carer Forum Finance Policy**

The finance policy consists of:

- Management of financial records
- Banking arrangements
- Receipts
- Cheque payments
- Expenses, payments and honorariums
- Payment documentation
- Staff
- Other rules

### **Management of financial records**

- 1) The finance policy is designed to ensure that all expenditure is on SPCF's business; that it is properly authorised; and that this can be demonstrated.
- 2) Financial records (a book of accounts) must be kept so that SPCF:
  - has proper financial control of the organisation
  - meets its legal and other statutory obligations (if relevant), such as Charities Act, Inland Revenue, Customs & Excise and common law
  - meets the contractual obligations and requirements of funders
- 3) The book of accounts must include:
  - statements analysing all the transactions appearing on the bank accounts
  - a petty cash book if cash payments are being made
  - Inland Revenue deduction cards P11 (if registered for PAYE)
- 4) 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).
- 5) Prior to the start of each financial year, SPCF will approve a budgeted income and expenditure account for the following year.
- 6) A report comparing actual income and expenditure with the budget should be presented to the Trustees quarterly.

### **Banking arrangements**

- 1) SPCF will bank with Natwest and an account will be held in the name of Suffolk Parent Carer Forum.

2) A bank mandate (the list of people who can sign cheques on SPCF's behalf) will be approved by the Trustees, as will any changes to it. The current bank mandate will have Brian Devine, Sue Willgoss, Faye Churchill and Nia Cooper as signatories.

3) SPCF will require the bank to provide statements every month.

4) SPCF will not use any other bank or financial institution, or use overdraft facilities or loan, without the previous agreement of the Management Committee.

5) SPCF should if possible, aim to maintain a reserve in its account equal to three months of running costs, or £200, whichever is higher.

6) Access to online banking is permitted when it has been agreed by the Trustees. Any changes to this will also need to be approved and by the Trustees.

### **Receipts**

All monies received by SPCF will be recorded promptly in the cashbook and banked without delay (this includes sundry receipts such as payment for telephone calls, photocopying etc.). SPCF will maintain files of documentation to back this up.

### **Cheque and online payments**

1) The approved budget provides the cheque signatories with authority to spend up to the budgeted expenditure and not beyond it.

2) Payments can be made either by cheque or online bank payment providing the method of payment has been agreed by the Trustees and the procedures are followed as documented in this Finance Policy.

3) The Finance Coordinator will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept in a secure place. The Finance Coordinator will be responsible for holding the online banking login details and associated equipment to enable access to online banking.

4) Each cheque will be signed by at least two people. Where an electronic payment is made there will need to be at least two signatories to authorise it.

5) A cheque must NOT be signed by the person to whom it is payable. An electronic payment must NOT be authorised by the person to whom it is payable.

6) Blank cheques will NEVER be signed.

7) The relevant payee's name will always be inserted on the cheque before signature, and the cheque stub will always be properly completed. Where electronic bank payment is made a copy of the online payment will be printed and attached to the documentation.

8) No cheques should be signed without original documentation (see below).

## **Expenses, payments and honorariums**

SPCF will, if asked, reimburse expenditure paid for personally by volunteers or staff, providing it has been agreed to do so, and that it is in line with the SPCF Remuneration Policy. In addition:

- fares are evidenced by tickets
- other expenditure is evidenced by original receipts containing the items claimed against.
- car mileage is based on agreed and reasonable mileage rates
- no cheque signatory signs for the payment of expenses to themselves and/or no online bank payment is arranged by, nor can they be the approved witness to, a payment approved to themselves.
- honorarium claims should be accompanied by a record of what this is being paid for, and demonstrates the agreed activity has taken place.

## **Payment documentation**

1) Every payment out of SPCF's bank account must be evidenced by an original invoice and never against a supplier's statement or final demand. That original invoice will be retained by SPCF and filed. The cheque signatory should ensure that it is referenced with:

- cheque number
- date cheque drawn
- amount of cheque

Where an online bank payment is made the invoice will need to be referenced with:

- the date and time of the online payment
- the amount of the online payment
- a copy of the online payment
- Two signatures authorising the online payment. Both of these must be an approved signatory for the account.

2) The only exceptions to cheques or online payments not being supported by an original invoice are items such as advanced booking fees for a future course, deposit for a venue, VAT, etc. Here a photocopy of the cheque or online payment will be kept.

## **Staff**

1) If SPCF has employed staff, there must be a clear trail to show the authority and reason for EVERY such payment to staff e.g. a cheque requisition form asking for payment to an employee. All formal employees will be paid within the PAYE and National Insurance regulations.

2) All staff appointments or departures will be authorised by the Trustees, minuting the dates and salary level. Similarly, all changes in hours and variable payments (e.g. overtime) will be authorised by the Trustees.

## **Discretionary Scheme**

SPCF currently operates a discretionary scheme to reimburse parents, carers and other volunteers for their time, skills and expertise, whilst representing SPCF at agreed meetings and events.

This is liable to be taxable, and may affect any state benefits you receive, as it may be deemed to be employment income. It is not intended to create an employment situation as explained in our Parent Representative Agreement.

It is your sole responsibility to notify HMRC and any other relevant agencies from whom you are claiming benefits of any payments received whilst volunteering. This applies to all remuneration payments.

If you wish to be reimbursed for your time, skills or expertise you will need to submit a remuneration form to the Business Support Manager as per the agreed process and in line with the SPCF Remuneration Policy.

All Expenses and Remuneration claims will need to be accompanied by a Expert by Experience Feedback Form for each meeting attended. Claims will NOT be authorised or paid if this documentation does not accompany the claim.

All Expenses and Remuneration claims are to be submitted in a timely manner. The SPCF operational level have determined that this constitutes by the 10th of the month. Any claims after this date will be paid the following month.

### **Other rules**

1) SPCF 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 £200 must be authorised by the Trustees and documented.

2) In exceptional circumstances, such undertakings can be made with the approval of both the Chair and Business Support Manager who will then provide full details to the next meeting of the Trustees.

3) SPCF will adhere to good practice in relation to its finances at all times. This should include when relevant a fixed asset register stating the date of purchase, cost, serial numbers and normal location of assets. Additionally, SPCF will maintain a property record of items of significant value, with an appropriate record of their use. Any assets should be returned to SPCF if individual members stand down.

4) Purchases of goods or services over a value of £500 will be subject to obtaining at least two quotes (ideally 3), and the subsequent decision based on value for money and by the Trustees.

5) Any member of the SPCF Team who has a personal interest in, or connection to, an organisation or individual who is already being paid by SPCF (or intends to quote for work being commissioned by SPCF) must declare this interest to the Trustees.

### **Monitoring and review**

This policy is to be reviewed on an annual basis.

Signed:

Brian Devine  
Chair of Trustees

Susan Willgoss  
Chair of Operation