



## **Blackburn with Darwen Parents In Partnership**

### ***Empowering Parent Carers through Information Sharing***

#### **Financial Control Policy**

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##### **Management of financial records**

- 1) The financial control policy is designed to ensure that all expenditure is on the forum'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 the forum:
  - 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:
  - a cashbook 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, the forum 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 steering group/members on a regular basis (possibly every three months).

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#### **Banking arrangements**

- 1) The forum will bank with Barclays at its Blackburn branch and accounts will be held in the name of Blackburn with Darwen Parents In Partnership.
- 2) The forum will utilise banking statements. These will be reconciled on a monthly basis with the forum's spreadsheet.
- 3) The forum will not use any other bank or financial institution, or use overdraft facilities or loans.
- 4) The forum should if possible aim to maintain a reserve in its account equal to three months of running costs, or £200, whichever is higher.

#### **Receipts**

- 1) All monies received by the forum will be recorded promptly on the spreadsheet and reconciled with bank statements. The forum will maintain files of documentation to back this up.
- 2) All receipts received by the forum will be recorded promptly.

#### **Cheque payments**

- 1) The list of delegated signatories will outline signatories with authority to spend up to the budgeted expenditure and not beyond it.
- 2) The forum treasurer will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept in a secure place.
- 5) Blank cheques will **NEVER** be signed.
- 6) The relevant payee's name will always be inserted on the cheque before signature, and the cheque stub will always be properly completed.
- 7) No cheques should be signed without original documentation (see below).

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#### **Expenses, payments and honorariums**

- 1) The forum will, if asked, reimburse expenditure paid for personally by volunteers or staff, providing it has been agreed and minuted to do so, and that:
  - fares are evidenced by tickets
  - other expenditure is evidenced by original receipts containing the items claimed against ONLY
  - car mileage is based on agreed and reasonable mileage rates

#### **Payment documentation**

- 1) Every payment out of the forum'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 the forum and filed. The cheque signatory should ensure that it is referenced with (a) cheque number (b) date cheque drawn (c) amount of cheque (where applicable).
- 1) 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. Here a photocopy of the cheque will be kept.

#### **Staff**

- 3) Blackburn with Darwen Parents in Partnership will not look to employ staff for the period 2018/2019

#### **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 £100 must be authorised and minuted by the committee/steering group.
- 2) In exceptional circumstances, such undertakings can be made with the Chairperson's approval who will then provide full details to the next meeting of the committee/steering group.
- 3) The forum 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, the forum will maintain a property record of items of significant value, with an appropriate record of their use. Any assets should be returned to the forum if individual members stand down.

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4) Purchases of goods or services over a value agreed by the committee/steering group will be subject to obtaining at least two quotes, and the subsequent decision based on value for money and minute by the committee/ steering group.

5) Any member of the committee/steering group who has a personal interest in, or connection to, an organisation or individual who is already being paid by the forum (or intends to quote for work being commissioned by the forum) must declare this interest and have it minute by the committee/ steering group.

**DATE DISCUSSED / AGREED WITHIN FORUM – MEMBERS PRESENT**

Signed: Christina Cramsie

Position: Co - Chair

Date: 10.01.2019

Signed: Janet Harrison

Position: Co - Chair

Date: 10.01.2019

Signed: Isma Sajid

Position: Membership Secretary

Date: 10.01.2019

Signed: Diana Lillystone

Position: Steering Group Member

Date: 10.01.2019

This policy will be reviewed by 14/04/2019

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