



Financial and expenses remuneration policy and procedure

Lewisham Parent and Carer's Forum

In line with the powers of the organisation and stated within its constitution, the application of the income should be applied solely towards the aims and objectives of the organisation.

1. BANK ACCOUNT

- 1.1 The account will be in the name of Lewisham Parent and Carer's Forum and the bank account will be with Unity Trust Bank plc.
- 1.2 A bank mandate (the list of people who can sign cheques on the forum's behalf) is provided at the end of this policy and will be approved and minuted by the steering group at a meeting or agreed via email, as will any changes to it.
- 1.3 The forum will require the bank to provide statements every month. These will be reconciled with the cash book at least every three months. The Treasurer will check that this reconciliation has been done at least twice a year, signing the cash book accordingly.
- 1.4 The forum will not use any other bank or financial institution, or use overdraft facilities or loan, without the previous agreement of the committee/steering group.
- 1.5 The forum should if possible aim to maintain a reserve in its account equal to three months of running costs.

2. INCOME

- 2.1 Income (cash and cheques) must be paid into the Current Account. No cash should be spent prior to banking.
 - 2.1.1 Cheque signatories are the three officers of the Steering Group.
 - 2.1.2 The cheque book will be held at Lewisham Parent and Carer's Forum Registered Office.
 - 2.1.3 Signatories must not be closely connected (e.g. relatives).
 - 2.1.4 All cheques require two signatures. Blank cheques must not be signed.
 - 2.1.5 A cheque must NOT be signed by the person to whom it is payable.
 - 2.1.6 Before making a payment, the invoice or receipt must be seen by both persons signing the cheque. The signatories must initial the document as proof.
 - 2.1.7 Invoices/receipts shall be filed with the finance records and shall be annotated with the relevant cheque number.
 - 2.1.8 The relevant payee's name will always be inserted on the cheque before signature, and the cheque stub will always be properly completed.
 - 2.1.9 No cheques should be signed without the original documentation.
 - 2.1.10 The approved budget provides the cheque signatories with authority to spend up to the budgeted expenditure and not beyond it.

2.3 AUTHORISED LIMITS

2.3.1 Cheque signatories can approve cheque payments if the amount is within the previously agreed grant application. Otherwise it must wait for the approval of the Steering Group, either at the next meeting or by email consensus.

2.4 GENERAL

2.4.1 Payments should be, by preference, by cheque or via pre-paid card, and not cash except for petty cash payments referred to below.

2.4.2 There will only be one current account to hold all funds. Security information connected with the management of the account shall be held by the Treasurer, the Chair and the Parent Participation Officer. All receipts shall initially be paid into the current account.

3. FINANCIAL RECORDS AND DEVICES

3.1 The Treasurer and the PPO will be responsible for the maintenance of the following records, to be kept at the Registered Office:

- Cash book (for all bank transactions)
- Computerised spreadsheets
- 'Money in' file (for documents relating to monies banked)
- 'Bills paid' file (for all invoices/bills paid by cheque/standing order...)
- Bank statements
- Bank reconciliations
- Chequebooks
- Paying in books
- Finance file

3.2 The Parent Participation Officer will be responsible for the maintenance of the following records, to be kept at the Registered Office:

- Petty cash book (for all cash transactions)
- Petty cash vouchers/receipts

3.3 Any replacement pre-paid cards received from the bank to those who should no longer use them should be handed to the Treasurer.

3.4 Bank cards should only be held at the Registered Office.

3.5 Bank cards must never be lent and PIN numbers and bank cards should never be stored together.

3.6 Bank cards must never be used to remove cash from the bank account, unless it is for the sole purpose of petty cash.

4. PURCHASES

4.1 Purchase Authorisation

4.1.1 Any purchase above £200 requires authorization, by email, from the Trustees and must be noted in the minutes.

4.1.2 Any purchase below £200 requires authorization, by email, from the Treasurer or Chair (including payments made by either the Treasurer or Chair who require authorisation from each other).

4.1.3 Any purchase below £50 does not require authorisation, but must be solely and clearly for the purposes of Lewisham Parent and Carer's Forum activity (e.g. refreshments, childcare, stationary, postage etc).

4.2 Payments

4.2.1 Any payments above £200 can only be made by the named card holders on the Lewisham Parent and Carer's Forum account.

4.2.2 Any payments below £200 can be made by named card holders or through the reimbursement of Lewisham Parent and Carer's Forum members as detailed below.

4.2.3 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:

- cheque number
- date cheque drawn
- amount of cheque

4.2.3 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.

4.3 Reimbursement of Costs

4.3.1 Any purchase to be reimbursed must be in accordance with the purchase authorisation limits as detailed in 4.1 above.

4.3.2 All purchases will only be reimbursed upon production of a receipt. Payments without a valid VAT receipt may be reimbursed at the discretion of the Chair or Treasurer.

4.3.3 It is acknowledged that, for some items such as telephone expenses, it is not always possible to provide a detailed breakdown/invoice/receipt. In these circumstances payment must be at the discretion of the Steering Group.

5. PETTY CASH

5.1 Whenever possible, payments should be made by cheque, or company pre-paid card, rather than cash. Petty cash shall be administered by the Parent Participation Officer who shall report to the Treasurer quarterly.

5.2 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.

5.3 Who and How

5.3.1 There will be only one petty cash float.

5.3.2 The petty cash float shall be available for:

- The payment of small expenses in accordance with the limitations set out in 5.4 below.

- The provision of cash floats at fund raising events such as book sales and parties when large quantities of small change are generally required.

5.3.3 Volunteers to whom cash floats are released will be accountable to the Parent Participation Officer for the return of the float intact with any additional funds raised and less any receipted justifiable expense. The Parent Participation Officer will keep an account of cash floats released and the funds returned and will, on request, account to the Treasurer for the petty cash payments.

5.3.4 Petty Cash must be kept in a locked tin at the Lewisham Parent and Carer's Forum's Office and remains the responsibility of the Parent Participation Officer. Keys to the tin are to be kept by the Parent Participation Officer. Petty cash must be handled in accordance with the purchase authorisation limits as detailed in Section 4.1 above.

5.4 Receipts and Vouchers

5.4.1 Receipts for petty cash payments are to be initialled in the Petty Cash book.

5.4.2 When cash is taken from the tin the invoice is to be initialled by the person claiming repayment by way of receipt for the payment.

5.4 Limitations

5.4.1 The maximum amount of petty cash to be held is £250.

5.4.2 There must be no loans.

6. VOLUNTEER EXPENSES

6.1 What Can Be Claimed

6.1.1 Officers, Steering Group Members and Parent Carer Volunteers may claim reimbursement for travel, childcare and other reasonable expenses incurred while volunteering. All expenses must be in accordance with the purchase authorisation limits as detailed in Section 4.1 above.

6.1.2 Travel expenses will be reimbursed for:

- The actual and reasonable cost of public or other reasonable methods of transport journeys.
- Childcare expenses as set by the Steering Group.
- Car parking and congestion charge payments when reasonably incurred in pursuit solely of Lewisham Parent and Carer's Forum business. This shall not extend to the reimbursement of motoring/parking fines. Mileage can be claimed at 45p per mile. Please ensure that receipts are retained.

6.1.3 Other reasonable expenses can include:

- Postage and photocopying
- Telephone calls
- One-off stationery items including paper and printer ink
- Steering group members can request for any claim to be paid in vouchers (however a voucher may also be considered as "income" for purposes of benefits of income tax)

- Anyone making a claim is responsible for their own tax and insurance position, and is responsible for checking how any payment, either cash or voucher, may impact on their benefits, and/or tax. (A Remuneration of Volunteers Policy is available from Lewisham Parent and Carer's office)

6.1.4 Do not make claims which may a contribution to your household expenses. If this is unavoidable, make sure there is agreement from the Forum to do so, and clarity about what you can claim. Claims should be for items where your Forum activity has led to additional expense.

7. BUDGET

7.1 A budget will be prepared annually in the form of a grant application. The draft grant application will be produced by the Parent Participation Officer/Treasurer and any other persons authorised by the Steering Group. The draft grant application will be distributed ahead of a full meeting of the Steering Group in March of each year, for revision and approval.

8. FIXED ASSETS

8.1 The Forum will adhere to good practice in relation to its finances at all times. This should include, when relevant, an 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.

8.2 An asset is an item that the charity acquires with the intent to provide future economic benefit to the Steering Group and its members. Any items acquired which cost £50 or more will be considered for capitalisation under the terms of the policy.

8.3 Purchases of goods or services over a value agreed by the Steering Group will be subject to obtaining at least two quotes, and the subsequent decision based on value for money and minuted by the Steering Group.

8.4 Any member of the Steering Group who has a personal interest in, or connection to, an organization 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 minuted by the Steering Group.

9. MANAGEMENT ACCOUNTS

9.1 The Treasurer will present to the Steering Group:

- An annual report
- Quarterly: a detailed financial report, to include actual income and expense compared to budget.
- Up to date bank and cash balances.

9.2 The Treasurer/Parent Participation Officer will meet every 6 weeks with the Chair and Vice-Chair to sign off expenditure.

10. FUNDRAISING AND CASH

- 10.1 All fundraising amounts must be fully recorded. All income must be banked.
- 10.2 All payments in relation to fundraising (e.g. stall rent, publicity, collection tins, etc.) must be made by cheque or petty cash.
- 10.3 Receipts from fund raising events shall be counted by two people at the event, at least one of whom must be a member of the Steering Group. A form of receipt must then be signed by both parties stating the total amount in hand and passed with the cash to the Treasurer or Parent Participation Officer.

11. STAFF

- 11.1 If the forum has employed staff, there must be a clear trail to show the authority and reason for EVERY such payment to staff; eg a cheque requisition form asking for payment to an employee. All formal employees will be paid within the PAYE and National Insurance regulations.
- 11.2 All staff appointments or departures will be authorised by the committee/steering group, minuting the dates and salary level. Similarly, all changes in hours and variable payments (eg overtime) will be authorised by the committee/steering group.

12. REVIEW OF POLICY

- 12.1 This policy is to be reviewed annually by the Steering Group.

Appendix One: **Bank Details**

The Group's bankers are: Unity Trust Bank

Account Number: 20336864

Sort code: 608301

- 12.2 As at October 2016 the cheque signatories, are:

Nalan Salih	Chair	Approved
Joyce Brako	Treasurer	Approved
Annee Rust	Secretary	Approved

- 12.3 All cheques will be signed by two of the three signatories, which are the Chair, Vice Chair and Treasurer.

DATE DISCUSSED/AGREED WITH THE STEERING GROUP MEMBERS 6th October 2016

Signed and agreed by

Nalan Salih - Chair

Approved – Signed

Joyce Brako-Amofo - Treasurer

Approved – Signed

Annee Rust - Secretary

Approved – Signed