

Sheffield Parent Carer Forum - Financial Standing Orders

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1. Responsibilities of Trustees (the Group) and staff

- 1.1 The Charity Commission impose on the Group certain duties regarding accounts, audit and financial control.
- 1.2 The Group is ultimately responsible for the financial control of the Organisation and for financial reporting to the Charity Commission and Companies House. These standing orders set out the terms under which it delegates to its staff certain functions for which it is responsible.
- 1.3 All staff and Trustees are required to declare interests which might influence their judgement or which could be perceived to do so.
- 1.4 All staff and Trustees have a responsibility to safeguard the resources of the Parent Carer Forum (PCF) and to use them in an economical and effective way in furthering the work of PCF. Staff have a responsibility to raise with the Trustees any concerns they have about the financial administration of PCF.

2. Maintenance of these standing orders and financial procedures

- 2.1 These standing orders were last approved by the Group at its meeting of 3 October 2014. The standing orders will be reviewed by the Trustees as and when changes are required or every three years, whichever is earlier. Staff or Trustees may also request changes at other times.
- 2.2 The staff will also prepare a set of financial procedures to be followed by staff in financial matters. The Treasurer will agree these.

3. Maintenance of records and financial control

- 3.1 The **Staff and Treasurer** will be responsible for maintaining proper accounting records for PCF.
- 3.2 The **Staff and Treasurer** will ensure that there are internal controls appropriate to the size and nature of business of PCF.
- 3.3 The **Development Worker** will ensure that where donors have placed restrictions on the use of any funds that appropriate records are kept to comply with these restrictions.

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4. **Security of financial information**

- 4.1 The **Staff and Treasurer** will be responsible for ensuring that all financial information is kept at an appropriate level of security.
- 4.2 Records held on paper must be appropriately filed and retained undamaged for the statutory time periods.
- 4.3 All records held on computer must be backed up and key back ups must be taken as per the backup procedure.
- 4.4 The **Staff** in conjunction with the Management Committee will ensure that PCF complies with the 1998 Data Protection Act.

5. **Annual accounts**

- 5.1 The **Treasurer and Staff** will be responsible for preparing information for the annual accounts in a format suitable for the Auditors / independent examiners.

6. **Budgetary control**

- 6.1 The **Development Worker** in consultation with the Treasurer will prepare an annual budget of income and expenditure.
- 6.2 The budget will be submitted to the Group for approval before 1st April each year.
- 6.3 Approval by the Group of the budget gives the staff authority to incur any expenditure contained within it, subject to any prior approvals that may be needed (see Section 11 on Authorisation of Expenditure).
- 6.4 The **Treasurer** is responsible for monitoring actual income and expenditure in comparison with the budget and for ensuring that appropriate action is taken where actual performance is not as forecast.
- 6.5 The **Development Worker**, in conjunction with the Treasurer, will be responsible for the preparation of quarterly financial reports. These will be prepared within a month of the end of the quarter. The reports will compare actual against budgeted performance. They will also explain any significant variances from budget. The reports will be submitted to the earliest possible meeting of the Trustees.

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7. Maintenance of bank accounts

- 7.1 The Group will maintain a current Internet bank account with Unity Trust Bank.
- 7.2 The bank account is to be reconciled to the bank records on a monthly basis by one staff member and the treasurer, or another cheque signatory.
- 7.3 The **Staff** will be responsible for the safe custody of cheques
- 7.4 All cheques will be paid into the current bank account
- 7.5 Cheque signatories will be nominated by the Trustees. See Appendix
- 7.6 The Trustees should authorise, up to, three of its members plus staff to be cheque signatories and transaction authorisers. Two authorised signatories must sign all cheques and transactions. One of these must be a Trustee. At least one signatory must sign the documentary evidence for any transaction.
- 7.7 Cheques must not be signed by the person to whom they are made payable. Blank cheques must not be signed under any circumstances.
- 7.8 Any instructions to the bank to make payments by direct debit, standing order or BACS must be signed in accordance with the rules governing cheque signatories.
- 7.9 The Account will have two Alto debit cards to be held by Staff. These will have limits (see appendix) and will be topped up by internet banking.
- 7.10 Salaries are calculated and paid by VAS via BACS. Any emails instructing VAS to change payments must come from the Chair or Treasurer.
- 7.11 Data entered into the accounting system will be from the source documents..

8. Petty cash & Expenses

- 8.1 **The Company Secretary** will be responsible for maintaining an adequate petty cash system. The float will not normally exceed £100.
- 8.2 Petty cash can be used for expenditure up to £20 per transaction.
- 8.3 All petty cash must be entered to the accounting system; evidence of payment should be retained, wherever possible.

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- 8.4 Petty cash must be counted quarterly and reconciled with the accounting system.
- 8.5 Trustees and Volunteers are encouraged to claim expenses on a regular basis, preferably Monthly but at least Quarterly.

9. Staffing and salaries

- 9.1 The **Trustees** must approve the establishment (and deletion) and grade of all staff posts.
- 9.2 The **Trustees** must approve any changes in salary levels.
- 9.3 The **Treasurer** will ensure that all salaries, wages and other emoluments to employees of PCF are paid in accordance with statutory requirements and any policies of PCF.

10. Authorisation of funding and resource obligations

- 10.1 The **Chair** (one of) must sign any agreement for the funding of PCF by another organisation, including government departments. Where the agreement is for funding of £10,000 or more, the funding arrangements must have been agreed by the Trustees.
- 10.2 The **Staff** are responsible for ensuring that any periodic payments for funding arrangements are received as set down in the funding agreement.

11. Authorisation of expenditure

- 11.1 Written orders will be issued for any work, goods or services to be supplied to the project costing £500 or more except for supplies of public utility services, for periodical payments such as rent or rates or such other exceptions as the Group approves.
- 11.2 In placing orders staff will seek to obtain the best possible value for PCF. This will involve obtaining quotations from a number of suppliers for substantial purchases. Where a supplier is used regularly their prices should periodically be tested against those of other suppliers.
- 11.3 Orders will be signed by an authorised person as follows.

Approval of capital and revenue expenditure within budget:

Value of order	Authorised by	Reported to
Up to £500	The staff	
£500 and over	A Trustee	Trustees

Approval of capital and revenue expenditure exceeding budget:

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Value of order	Authorised by	Reported to
Up to £50	The staff	Trustees
Over £50	Chair (one of) or Treasurer	Trustees

11.4 All payments **above £5** will be evidenced by an invoice or another appropriate document.

11.5 All payments of personal expenses, up to £50, for project staff or volunteers (including Trustees) will be authorised by the staff. Payments of expenses above £50 will be authorised by a Trustee cheque signatory.

12. Insurances

12.1 The **Company Secretary** will be responsible for ensuring that PCF maintains adequate insurance cover for all the project's activities including:

- employer's liability (including cover for volunteers)
- public liability;
- office contents insurance including cover for any rented items if required by the rental agreement and landlords' fixtures and fittings if required by any lease;
- legal expenses;

12.2 The appropriateness, scope and level of insurances and excesses should be kept under continual review. An annual report should be made to the Group on these matters.

12.3 A schedule of insurance policies and cover should be kept and updated each time a new agreement is entered into.

12.4 Any procedures for ensuring compliance with insurance policies will be formally documented and updated as and when necessary.

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13. **Fixed assets, premises, security and safety**

- 13.1 The **Company Secretary** will be responsible for the maintenance of a assets register. This will record the details of each significant asset, e.g. computers.
- 13.2 The **Staff** will ensure that all equipment is adequately maintained and safeguarded.
- 13.3 The **Staff** will be responsible for security in any premises operated by PCF.
- 13.4 The responsibilities of staff with respect to the safety of premises and equipment will be set out in a health and safety policy.

14. **Risk management**

- 14.1 The **Staff**, in conjunction with the **Treasurer**, are responsible for maintaining a risk register. This will record the major risks (financial and otherwise) faced by PCF and each will be scored according to probability of occurrence and severity of impact. The control measures taken in respect of each risk will also be recorded.
- 14.2 The **Trustees** will review the risk register every year.

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Appendix

Unity Bank Protocol

Users

<u>Name</u>	<u>View</u>	<u>Submit</u>	<u>Authorise</u>	<u>Alto</u>
	Yes	Yes	Yes	900
	Yes	No	Yes	
	Yes	No	Yes	
	Yes	Yes	No	
	Yes	Yes	Yes	200

Submit new Transaction

- Normally done by office staff
- Enter transaction quoting invoice number as reference, wherever given, and write transaction number on Original Document
- If urgent, use Unity reminder or email to alert at least one authoriser
- Email invoicee quoting invoice number to tell them it has been paid electronically and should be in their account within 2 working days