

Financial control policy for Salford Family Forum

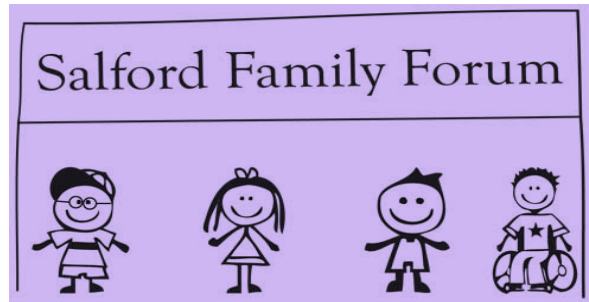


Our financial control policy:

- protects the parent carer forum and the individuals who run it
- supports us in monitoring our spend
- ensures that we obtain value for money
- is good practise for any organisation in receipt of a grant

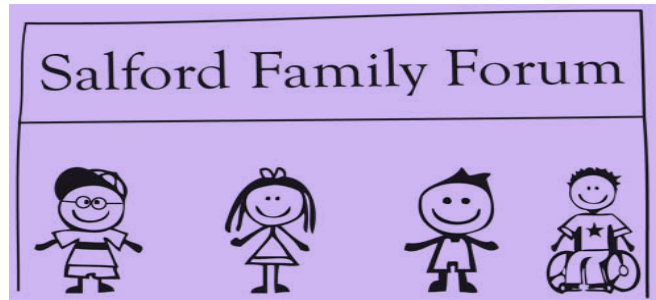
The financial control policy consists of:

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



Management of financial records

- 1) The forum has paid Gaddum £750 to manage our accounts and banking for the year, this will 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
- 4) The forum is not a constituted group but will have an end of year open event for people to review/look at our financial report for 2014/15.
- 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) at the Gaddum meetings and will take place on:
 - *14 July 2014*
 - *9 September 2014*
 - *10 November 2014*
 - *12 January 2015*
 - *3 March 2015*
- 7) The Gaddum will hold the grant and will only spend it with authorisation and consultation with the forum.



Banking arrangements

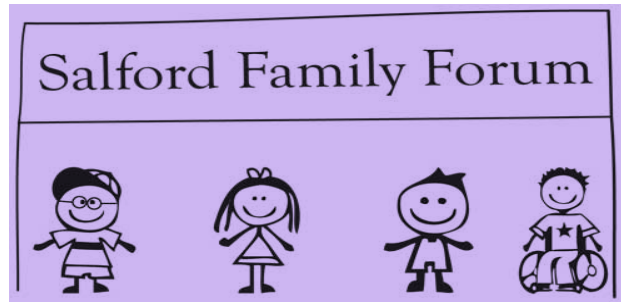
- 1) The Gaddum has its own bank account; the forum does not hold its own bank account. The forum members have been consulted on this.
- 2) The Gaddum has three people who can sign cheques on the forum's behalf.

Receipts

- 1) All monies received by the forum will be recorded promptly in the cashbook and banked without delay (this includes sundry receipts such as payment for telephone calls, photocopying etc.). The forum will maintain files of documentation to back this up and all monies will appear in Gaddum's overall bank statement.

Cheque payments

- 1) The approved budget provides the cheque signatories with authority to spend up to the budgeted expenditure and not beyond it.
- 2) The Gaddum will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept in a secure place.
- 3) Forum members are not signatures' for cheques. This is done by Gaddum and for any cheques over £300 it will be signed by two people from the Gaddum.
- 4) A cheque must **NOT** be signed by the person to whom it is payable.
- 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).
- 8) The forum is happy with Gaddum's financial control policy and we have been fully consulted.



Petty cash payments

1) The petty cash payments are floated at the forum, the co-chairs of the forum will be entrusted with this with the prior agreement of the committee/ steering group. When the float is more or less expended, cash will be drawn from the Gaddum for sufficient funds to bring up the float to the agreed sum. Gaddum, the co-chairs of the forum are responsible that receipts/monies are up to date.

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
 - no cheque signatory signs for the payment of expenses 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.

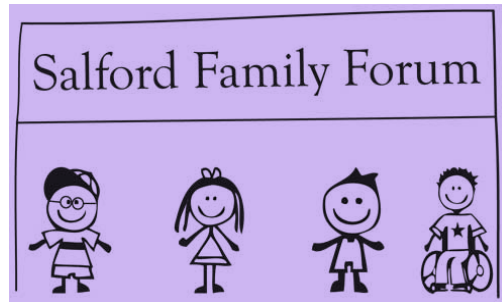
Our family forum financial policies/templates will be based on Contact a Family templates and best practices.

Payment documentation

- 1) Every payment out of the Gaddum'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

Expenses claim forms will be authorised by either co-chair.

2) 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.

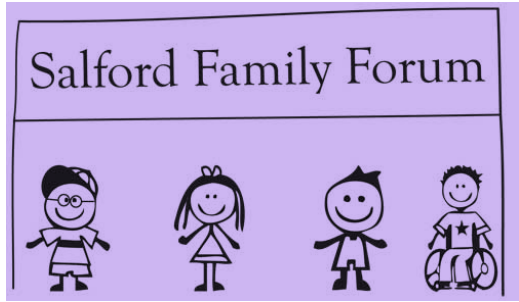


Staff

The forum does not employ anybody, but has an arrangement with Salford Children's Society to pay for admin support for the sum of £6.10 per hour. The work for the admin will be agreed by the forum steering group and documented. Invoices will be sent to the Gaddum for them to reimburse the Salford Children's Society.

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 Co-chairperson's approval who will then provide full details to the next meeting of the committee/steering group.
- 3) The forum will keep a list of assets and equipment that belongs to the forum. This should include when relevant a fixed asset register stating the date of purchase, cost, serial numbers and normal location of assets. Members will be required to sign equipment out. Any assets should be returned to the forum if individual members stand down.
- 4) Purchases of goods or services over a value agreed by the committee/steering group will be subject to obtaining at least two quotes where appropriate over the value of £1000, and the subsequent decision based on value for money and minuted 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 minuted by the committee/ steering group.



DATE DISCUSSED / AGREED WITHIN FORUM – MEMBERS PRESENT

Signed: [Redacted]

Position: [Redacted] Co-chair

Date: 21.07.14

Signed: [Redacted]

Position: [Redacted] Co-chair

Date: 21.07.14

Signed: [Redacted]

Position: [Redacted] member of steering group

Date: 21.07.14

Signed: [Redacted]

Position: [Redacted] member of steering group

Date: 21.07.14

This policy will be reviewed by 31.05.15