



"A voice for families of children and young people with special educational needs and/or disabilities"

Financial Control Policy

The aim of this financial control policy is to:

- Protect Reading Families' Forum and the individuals who run it
- Monitor our spend
- Ensure we obtain value for money
- Demonstrate good practise for our grant funders

The 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 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 (accounts) must be kept so that the forum:

- has proper financial control of the organisation
- meets the contractual obligations and requirements of funders

3) The accounts must include:

- a spreadsheet analysing all the transactions appearing on the bank accounts
- a petty cash book if cash payments are being made

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 parent carer Trustees.

5) Prior to the application of any grant, the parent carer Trustees will approve a budgeted income and expenditure account for the period of the grant.

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6) A report comparing actual income and expenditure with the budget should be presented to the Trustees every three months.

Banking arrangements

1) The forum will bank with HSBC at its Broad Street Reading branch and accounts will be held in the name of Reading Families' Forum CIO.

2) Ms Robb, Dr Ries and Ms Bridgman can sign cheques on the forum's behalf. Any changes will be approved and minuted by the Trustees.

3) The forum will require the bank to provide statements every month. These will be reconciled with the spreadsheet at least every three months. The Chair and the AGM will check that this reconciliation has been done at least once a year.

4) The forum will not use any other bank or financial institution, or use overdraft facilities or a loan, without the previous agreement of the Trustees.

Receipts

1) All monies received by the forum will be recorded promptly on the spreadsheet 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.

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 Chair will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept in a secure place.

3) Each cheque will be signed by at least two people, and not by the person to whom the cheque is written.

4) Blank cheques will **NEVER** be signed.

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- 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).

Electronic payments

1. The approved budget provides the cheque signatories with authority to spend up to the budgeted expenditure and not beyond it.
2. The Chair will be responsible for holding the security device for online payments, which should be kept in a secure place.
3. The Chair is authorised to make electronic payments online provided that copies of all transactions with invoices are passed to the Administrator as soon as possible for checking.
4. Payments to the Chair: Dr Ries, Trustee, must see documentation and approve payments in writing to authorise the Chair to pay her own expenses electronically.
5. No payments will be made without original documentation.

Expenses and payments

The forum will reimburse expenditure paid for personally by volunteers, Trustees, contractors or staff where reasonable to carry out their work with the forum. Where possible, advance agreement should be obtained and be evidenced by receipts.

Car mileage is paid at 45p per mile using AA route map mileage.

Payment documentation

- 1) Every payment out of the forum's bank account must be evidenced by an original invoice. 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

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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. The cheque number or electronic payment confirmation will be kept and documentation will be supplied as soon as possible.

Staff and Self-Employed Contractors

1) There must be a clear trail to show the authority and reason for EVERY payment to workers; eg an agreed salary or timesheet when hours vary 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 and contracts with self-employed staff will be authorised by the Trustees, minuting the dates and pay. Similarly, all changes in hours and variable payments (eg overtime) will be authorised by the Trustees.

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 £300 must be authorised and minuted by the Trustees.

2) In exceptional circumstances, such undertakings can be made with the Chair's approval who will then provide full details to the next meeting of the Trustees.

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.

4) Purchases of goods or services over £250 will be subject to obtaining at least two quotes, and the subsequent decision based on value for money and value to Reading parent carers and their families. The decision will be minuted by the Trustees.

5) Any member of the Trustees 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

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for work being commissioned by the forum) must declare this interest and have it minuted by the Trustees.

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This policy will be reviewed by July 2019

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