

## **Parent Carers Together Financial Control Policy**

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 practice for any organisation in receipt of a grant
- Ensures our host organisation provides us with up to date and accurate financial information to allow us to manage our work effectively

It is important that the person with responsibility for finance, normally the Treasurer or the Administrator has the relevant skills to carry out the requirements of the policy and to accurately report to the key funders of the forum

- BCP Council
- DfE/Contact
- Other funders as they arise

Training can be provided for the Treasurer by the current host organisation Rose Road Association. This person will liaise with Rose Road Association who currently carry out the hosting of the finances, produce monthly accounts and annual accounts and who process all the payments and applications undertaken in the name of Parent Carers Together.

The financial policy consists of:

- Role of the Treasurer
- Management of financial records
- Authority of expenditure
- Banking arrangements
- Receipts
- Expenses and payments
- Payment documentation
- Staff
- Conflict of interests
- Other rules

The financial control policy is designed to ensure that all expenditure is on behalf of Parent Carers Together (PCT) business; that it is properly authorised; and that this can be demonstrated. The policy gives guidance to the Treasurer, Steering Group and members in

respect to all financial matters of the Forum. The policy will be reviewed on an annual basis and any amendments will be agreed by the Steering Group.

### **Role of the Treasurer**

The Treasurer will be appointed in line with the PCT Constitution. The Treasurer shall be accountable to the Steering Group for proper keeping of accounts and expenditure. The Treasurer must also ensure spend in accordance with the requirements and wishes of any funder.

The Treasurer will:

- Keep control of the budget to pursue the vision and the objectives of PCT and to ensure financial viability
- Keep accounts and funds in line with this policy.
- Keep records of evidence and expenditure as necessary, in keeping with the format(s) required by funders.
- Make prompt payments as required.
- Prepare and present current and accurate accounts at each Steering Group meeting for review.
- Produce accurate annual accounts for the AGM, working in conjunction with others as appropriate.
- Submit accurate accounts and evidence of expenditure to funders and appointed auditors for review and audit purposes.
- Maintain an accurate bank balance on behalf of PCT.
- Act as a nominated signatory for PCT bank accounts.

### **Management of financial records**

Rose Road as the host agency for Parent Carers Together has responsibility for the maintenance of the records pertaining to income and expenditure and for processing the payments on the instructions of the members of the steering group in line with their requirements. All our financial activities are subject to both internal and external audit in line with financial regulations and legal requirements and meet SORP requirements. Financial records (electronic records are maintained on Microsoft Dynamics Great Plains accounts package) 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
- reports accurately to each of the funders on the income and expenditure in relation to the running and management of Parent Carers Together

The records of accounts must include:

- A full record maintained on Microsoft Dynamics Great Plains (accounting software) showing all income and expenditure and transactions currently undertaken by Rose Road on a monthly basis.

Electronic records of every payment coming in or every invoice being paid are maintained electronically by the host agency Rose Road and show expenditure against the agreed budgets set with DFES, BCP Council and any other funders that are pertinent.

- receipts for all expenditure in line with the audit requirements of the grants including receipts for all petty cash expenditure.
- Inland Revenue deduction cards P11 (if registered for PAYE) currently provided by Rose Road.

**Note: no payments will be made without the correct receipts including expenditure on petty cash**

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). In the case of Parent Carers Together currently these form part of the overall accounts for the host agency and are subject to external scrutiny by Mazars LLP who are the nominated external auditors in line with SORP and legal reporting requirements.

Currently the accounts of the Parent Carers Together are shown as a separate project within the internal management accounts of the host agency, however, in the audited financial statement we will be included within Family Services of Rose Road. Detailed accounts for the project will be made available to the forum following external audit as per legal requirements. Each project has its own income and expenditure codes.

Prior to the start of each financial year, or when grants are agreed which ever is the sooner, the forum will approve a budgeted income and expenditure account for the following year in line with the funders requirements and grant conditions – this will be done by the steering committee assisted by the Administrator and the Host Agency and accurately reflect the bids agreed with the various funders.

A report comparing actual income and expenditure with the budget should be presented to the steering group/members at every steering group meeting.

Rose Road will hold the grant and will only spend it in consultation with and the authorisation of Parent Carers Together.

Currently the host agency appoint an appropriate external auditor for the examination of the accounts in line with Sorp requirements.

### **Banking Arrangements**

Rose Road has its own bank account, Parent Carers Together does not hold its own bank account.

Parent Carers Together will require Rose Road to provide an updated budget every month. Rose Road will maintain records to satisfy audit requirements by funders or interested third parties.

### **Receipts**

All monies received by the forum will be recorded promptly in the Financial Record and banked without delay (this includes sundry receipts such as payments for printing etc).

All monies banked will be shown on the accounts for Parent Carers Together which is updated monthly and shared with the forum members.

Parent Carers Together will maintain files of documentation to back this up but can at any time request to see the accounts maintained by Rose Road.

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

PCT will, if asked, reimburse expenditure paid for personally by volunteers or staff on PCT business, providing it has been agreed and minuted to do so, and that:

- Relevant expenses sheets are completed signed or electronically signed and returned to Rose Road Association for payment
- 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 of 40p per mile
- Honorarium claims should be accompanied by a record of what this is being paid for, and demonstrates the agreed activity has taken place.

**For details on the amounts that can be claimed please refer to PCT's Expenses and Remuneration Policy.**

### **Payment documentation**

Every payment out of Parent Carers Together's bank account must be evidenced by an original invoice and never against a supplier's statement or final demand. Original invoices will be retained by Rose Road and filed.

Payments will normally be made direct by BACS. Should steering group members or representatives wish to be paid by cheque they must let the forum Administrator know at the time of presenting their claim.

### **Expenses**

Parent Carers Together will reimburse all representatives at the current agreed rates according to the Expenses and Remuneration policy for any Parent Carers Together approved business. All agreed expenditure paid for personally by volunteers or staff, providing it is on approved PCT business and is claimed using a PCT claim form will be reimbursed if:

- Fares are evidenced by tickets;
- Other expenditure is evidenced by original receipts with the items claimed against clearly identified;
- Car mileage is based on agreed mileage rates;

### **Employed Staff**

All formal employees will be paid within the PAYE and National Insurance regulations. All staff appointments or departures will be authorised by the Steering Group, minuting the dates and salary level. Similarly, all changes in hours and variable payments (e.g. overtime) will be authorised by the Steering Group.

All self-employed staff must invoice Parent Carers Together monthly and include a breakdown of activity to support their claim. All claims for sundries/materials must be evidenced by receipts and approved in advance.

## **Conflict of Interest**

Any member of the steering group who has a personal interest in, or is connected to, an organisation or individual who is already being paid by the forum, or intends to quote for work or goods being commissioned by the forum, must declare this interest and have it minuted at each steering group meeting. They must withdraw from discussions of any such item when it appears on the agenda.

## **Additional rules**

PCT will adhere to good practice in relation to its finances at all times. This should include 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 all items of a value over £50, with an appropriate record of their use. Any assets should be returned to the forum if individual members stand down.

The forum does not accept liability for any financial commitment unless properly authorised by the steering group and in line with requirements of the funders expectations Any orders placed or undertakings given which are likely to cost the forum in excess of £100 must be authorised and minuted by two members of the committee/steering group.

For purchases of goods or services over a value of £200, at least two written quotations shall be obtained, or the Steering Group must approve the production of a single quote and the subsequent decision minuted by the Steering Group.

It is the responsibility of the Steering Group, individually and collectively, to ensure the proper use of PCT funds. Anyone who has reasonable grounds to believe funds are being misused should report this to the Treasurer, Chair or Administrator as appropriate, who will raise the matter immediately with the Steering Group. Misuse of funds may result in disciplinary action including in the final instance withdrawal from membership and possible legal action in line with the Constitution.

Approved by PCT Steering Group

Date: 1st December 2019

To be reviewed: March 2021