



Birmingham Parent Carer Forum CIC (BPCF)

Financial Policy

Introduction

This financial policy consists of:

- Management of financial records
- Banking arrangements
- Receipts
- Payments
- Payment documentation
- Expenses
- Remuneration
- Staff
- Other rules

Note: The terms '*Forum*' and '*BPCF*' are used interchangeably in this policy.

Management of financial records

- 1) This Financial Policy is designed to ensure that all funds are used to deliver the aims of BPCF, that expenditure is properly authorised and that this can be evidenced.
- 2) Financial records must be kept so that the forum
 - Has proper financial control of the organisation on behalf of its members.
 - Meets its legal and other statutory obligations (if relevant), such as HMRC and common law.
 - Meets the contractual obligations and requirements of funders.
- 3) The records held must include
 - A petty cash book if cash payments are being made.
 - Records analysing transactions appearing on the bank accounts.

- 4) Accounts must be drawn up at the end of each financial year and presented to the Management Committee, and presented to members for ratification at the next Annual General Meeting (AGM).
- 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 Management Committee and Committee Members on a regular basis.

Banking Arrangements

1. The forum will bank with Lloyds bank on-line and accounts will be held in the name of Birmingham Parent Carer Forum.
2. A bank mandate (the list of people who can sign cheques or authorise on-line transactions on the forum's behalf) will be approved and minuted by the Management Committee, as will any changes to it. There will be three signatories.
3. The forum will require the bank to provide statements every month. These will be reconciled with the records held.
4. The forum will not use any other bank or financial institution, or use overdraft facilities or loan, without the previous agreement of the management committee.

Receipts

All monies received by the forum will be recorded and banked without delay.

Payments

1. The approved budget provides the cheque signatories with authority to spend up to the budgeted expenditure and not beyond it.
2. There will be one cheque book, held by the Secretary. Three card readers, with the Treasurer responsible for holding one and another held by the Secretary and the third held by the third signatory, which should be kept in a secure place.
3. Each cheque will be signed, or online transaction will be authorised by at least two people.
4. A cheque must not be signed, and payment must not be authorised or created by the person to whom it is payable. Similarly, an online payment must not be created or authorised by a payee.
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 or online payments should be signed without invoice, receipt or other evidence.

Payment Documentation

1. Every payment out of the forum's bank account must be evidenced by an original invoice, receipt or other evidence. That evidence will be retained and filed. The cheque signatory should ensure that it is referenced with:
 - Cheque number/online reference number
 - Date cheque drawn/date online payment made
 - Amount of cheque/amount of online payment
2. The only exceptions to cheques/online payments not being supported by an original invoice are items such as advanced booking fees for a future course or a deposit for a venue. Here a photocopy of the cheque/printout of the online payment will be kept.

Expenses

1. Expenses are out of pocket costs incurred for example: train tickets; car mileage to travel to an event or meeting, car parking, purchase of stationery or biscuits for a meeting, childcare.
2. Claims for expenses can be made by filling in a BPCF Expenses Claim Form and submitting this to treasurer@birminghampcf.org, digitally or by photograph or by hand to the treasurer.
3. All expense claims must be accompanied by receipts for public transport, refreshments, or meetings, parking, or the correctly calculated mileage for each journey claimed and be detailed on the BPCF Expenses Claim Form from postcode to postcode.
4. The standard mileage rate that can be claimed by members of the Forum when attending meetings is 45p per mile.
5. Childcare costs claimed must be evidenced with paperwork signed by the person providing the childcare cover which states that they are responsible for their own tax/benefit liability.
6. BPCF Treasurer's expenses claim forms must be filled in and sent to the BPCF Chair for authorisation.
7. All claims must be submitted monthly to the Treasurer.
8. There will be a monthly budget check. If/when BPCF budget becomes low, an expenses cap will be imposed.
9. No cash payments can be made for expenses claimed.
10. All claims for expenses must be made within 90 days of the date being claiming for.

Remuneration

1. No remuneration costs have been included in the 2020/21 budget therefore no remuneration costs can be claimed.

Staff

- 1) All staff contracted by BPCF will be self-employed and therefore responsible for their own tax and national insurance payments – providing their Self-Employed Tax Reference number on all invoices for the records. Payments made to self-employed staff will be made in accordance with all of the procedures above.
- 2) All changes in hours and payments will be authorised by the Management Committee.

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 £400 must be authorised and minuted by the Committee/Management Committee.
- 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 Committee/Management Committee.
- 3) The forum will adhere to good practice in relation to its finances at all times. This will include a fixed asset register stating the date of purchase, cost, serial numbers, normal location of assets and a appropriate record of their use. Any assets should be returned to the forum if individual members stand down or discontinue to be members of the Forum.
- 4) Purchases of goods or services will be subject to obtaining at least two quotes, and the subsequent decision based on value for money by the Committee/Management Committee.
- 5) Any member of the Committee/Management Committee 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/Management Committee and not be party to the decision making.