

23 - FINANCE POLICY

Let Us Play Scheme

(Play Scheme for children with profound
and multiple learning difficulties)

Registered Charity No 1072059

Date of Policy Issued/Review	01 March 2022
Name of Chairperson	Juliet Cheriton-Gerard
Signature of Chairperson	
Management Committee Name	Matthew Lewis
Management Committee Signature	
Review date	01 March 2023

POLICY STATEMENT

Policy purpose:

- protects Let us play scheme (hereafter referred to as LUPS) and the individuals who run it
- supports LUPS in monitoring expenditure
- ensures that LUPS obtain value for money
- is good practise for any organisation in receipt of a grant

Responsible LUPS Officer: The Treasurer

The financial control policy consists of:

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

Management of financial records

- 1) The financial control policy is designed to ensure that all expenditure is on LUPS business; that it is properly authorised; and that this can be demonstrated.
- 2) Financial records must be kept so that LUPS
 - 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
 - Inland Revenue deduction cards P11 (if registered for PAYE)
- 4) Accounts must be drawn up at the end of each financial year within one month of the end of the year, and the externally audited report presented to the next Annual General Meeting (AGM).
- 5) In September prior to the start of each financial year, LUPS 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 committee at each committee meeting.
- 7) LUPS will appoint an appropriately qualified auditor/independent examiner to audit/examine the accounts for presentation to the next AGM.

Banking arrangements

- 1) LUPS will bank with Charities Aid Foundation Bank (CAF). In addition, LUPS hold two accounts with Lloyds at its Gosport: fundraising and lottery account.
- 2) Should it be necessary to amend any details on either/both accounts, a bank mandate will be approved and minuted by the committee, as will any changes to it.
- 3) LUPS will require the bank to provide statements every month. These will be reconciled with the cash book each month. Three times a year the Chairperson will check that this reconciliation has been done, signing the cash book accordingly.
- 4) LUPS will not use any other bank or financial institution, or use overdraft facilities or loan, without the previous agreement of the committee.
- 5) LUPS will aim to maintain a reserve in its account equal to 4 weeks running costs, or £50,000, whichever is higher.

Receipts

1) LUPS will ensure all transactions are recorded promptly in the cashbook and any incoming cheques are banked without delay. LUPS will maintain documentation (spreadsheet, and paying-in book counterfoils) to back this up.

Payments

1) The approved budget provides LUPS bank signatories with authority to spend up to the budgeted expenditure and not beyond it.

2) The Treasurer 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/ BACS payment must be signed/ authorised by two people.

4) Payments cannot be authorised by two people who are related.

4) A cheque must NOT be signed by the person to whom it is payable.

5) Blank cheques must 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 payment should be processed without original documentation (see below).

Petty cash payments

1) If LUPS wishes to maintain a petty cash float whilst the playscheme are running, the Playscheme Manager should be entrusted with this with the prior agreement of the committee. When the float is more or less expended, a cheque will be drawn for sufficient funds to bring up the float to the agreed sum of £50.

Expenses and payments

1) LUPS will, if asked, reimburse expenditure paid for personally by volunteers or staff, providing agreement has been given in advance of the expenditure.

This may include:

- fares are evidenced by tickets
- other expenditure is evidenced by original receipts containing the items claimed against ONLY
- car mileage as per the rates specified by HMRC
- no cheque signatory signs for the payment of expenses to themselves

Payment documentation

1) Every payment out of LUPS' 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 LUPS and filed. If payment is made via cheque, the cheque signatory should ensure that it is referenced with:

- cheque number
- date cheque drawn
- amount of cheque

2) The only exceptions to cheques not being supported by an original invoice are items such as advanced booking fees for an external provider or training course. Here a photocopy of the cheque will be kept.

Staff

1) All employees will be paid within the PAYE and National Insurance regulations.

2) All payroll duties and administration (payslips, calculations of PAYE and NICs, entitlement to Pension contributions, P60s and P45s) will be under the remit of an appointed external accountant. The LUPS Treasurer will act as the contact between LUPS and the Accountant.

3) LUPS will not engage in any tax queries; the employee will be directed to discuss the query direct with HMRC.

4) Staff attending training courses outside of playscheme, will be entitled to submit a claim for:

- the number of hours attendance x their hourly rate.
- Up to £20 per day subsistence. This is to cover meals and drinks (excluding alcohol) only.

The hourly payments and subsistence payment will be added to the staff member's payroll and included for payment in the playscheme payroll run in April or August (whichever is soonest).