

Northern Corridor Community Volunteers



Financial Rules of Northern Corridor Community Volunteers

Approved by Steering Committee 1st November 2018

1. Introduction

The elected officers are responsible for day to day operations.

The steering committee is responsible for ensuring that the group is well managed by the officers and that we look after our income properly and put it to best use.

The Officers will keep appropriate financial records, including:

- an account book or computer spreadsheet recording all the transactions in the bank account(s)
- bank statements
- a petty cash record
- details of all funds received
- invoices and other receipts for all payments

Our financial year ends on 31st March. We will draw up accounts at the end of the financial year and have them examined by a suitable person who is independent of the group. The annual accounts will be presented to the Annual General Meeting for approval.

Before the start of the financial year, we will set a budget for the following year.

We will discuss a financial report at each committee meeting showing cash received, payments, and remaining funds. It will also show expected future receipts and payments.

2. Bank accounts

We have a current business account with Bank of Scotland

At least three members of the management committee will be signatories to the accounts. Any withdrawals or transfers between accounts will be signed by two of the signatories. We expect that one of these will be the treasurer. If not, we will give the treasurer full details of the payment. We will ask the bank to provide statements at least every 3 months and will check the statements

against our accounts.

3. Income

When we receive cash as payment or donation, we will issue a receipt and keep a copy. When we receive cash at fetes, jumble sales or collections, two members of the group will count up the cash, make a note of the total and sign for it. When the treasurer collects cash from a group member, the treasurer will issue a receipt.

Details of cash received will be entered in the petty cash record. We will use small amounts of cash received as petty cash.

We will record details of cheques received in the accounts and bank the cheques within one month.

The treasurer will keep files of paperwork relating to the cheques (e.g. grant award letters or copies of receipts issued by the group).

4. Buying goods and services

Our steering committee will agree any order of unrestricted funding valued at over £200 in advance. - This will either be shown in our annual budget or discussed at a meeting during the year. The treasurer will keep a file of all the paperwork and check firms' invoices before making payments.

Orders under £50 may be purchased using petty cash by officers, or purchased using own monies and reclaimed from petty cash or by BACS transfer on signature of two officers. Officers should complete a signed monthly expenses declaration with attached receipts, and budget allocations which will then be refunded through BACS transfer, any expenses which officers do not wish to be refunded may be recorded as a donation to the group and therefore be included in project costings.

Orders using unrestricted funding under the value of £200 will be agreed by at least three officers in advance.

Orders of restricted funding will be agreed with the funding partner in advance, these project specific costs will be managed by the project budget holder and approved by at least one other officer.

At least two officers will have access to a debit card linked to the bank account, with these cards being separately accountable in the financial records.

5. Payments by cheque, direct debit, bank transfer or ATM card

We will not sign a cheque without paperwork to support the payment. We will not authorise payments by direct debit or by bank transfer (BACS) without paperwork to support the payment. Two signatories are required on each cheque.

All other payments (including BACS, standing orders and direct debits) must be instigated by one of the bank signatories and authorised by another.

We will never sign a blank cheque. Cheque stubs will be completed at the time of payment. We will record details of payment on the paperwork:

- cheque number / type of payment

- date
- who signed the cheque / payment form

We shall write details of all cheque payments in the accounts

6. Petty cash

We use incoming cash as petty cash.

We will keep a small float of no more than £100 for small payments such as bus fares and tea & coffee. We will top up the float with cash which we receive. We will enter up all the cash received in the accounts. We will show the amount kept for petty cash as a transfer from the accounts to the petty cash record.

Cash withdrawals from the bank account by cheque will require 2 signatories.

Cash withdrawals by passbook or ATM card unless made by the treasurer for petty cash purposes will be authorised in advance by 2 signatories.

We will record payments on a petty cash slip and keep till receipts, bus tickets, etc. We will enter in the petty cash book the amount of cash drawn from the bank and details of payments.