

FINANCIAL POLICIES AND PROCEDURES

The following guidelines are based on the requirements of the Charity Commission. They are intended to ensure that Bierton Pre-School observes good practice in handling cash and also to protect staff and committee members from any potential suspicion or dispute.

Receipts of Money

- Cash Receipts – Bierton Pre School will not accept cash in payment of fees. Any cash offered for fees (or envelopes which it is thought might contain cash) must be courteously but firmly declined. Acceptable forms of payment are cheque or bank transfer as detailed on our invoices. Small amounts of up to a maximum of £40.00 in cash may be accepted for payment of uniform orders. A receipt must be given to the parent/carer immediately. All cash must be put in the secure black box and marked for the attention for the Administrator.
- Cheque Receipts – Parents will be asked to enclose all cheques in payment of fees or other charges in a sealed envelope marked for the Administrator's attention. If this is not done by the parent, any member of staff or committee member receiving a cheque must immediately seal it in an envelope marked for the Administrator's attention and ensure that the envelope is given to the Administrator or is placed in the secure black box at Pre School as soon as possible.
- Unexpected Cash Receipts – Any envelope which is found on opening to unexpectedly contain cash should be immediately re-sealed and placed in the secure black box at Pre School, marked for the Administrator's attention.
- Petty Cash – no member of staff or committee member will retain any sum for petty cash purposes. All cash received by Pre School will be paid into the Pre School bank account by a designated signatory.

Issuing Receipts

Whenever practicable, the Administrator or Pre School Manager will issue a receipt for all monies received from whatever source.

Fundraising and other Pre School Events

- General - These events will inevitably involve cash transactions. Where possible, committee members and not staff members will retain all responsibility for the sale of any tickets etc. in conjunction with any fund-raising events. All staff and committee members must observe the following rules to ensure good practice and to avoid any suspicion or dispute.
- Floats - Under no circumstances should any person use or loan their personal money to act as a float. The Treasurer or Administrator (or another committee member nominated by them) will cash a Pre School cheque or withdraw the sum using a business debit card to generate all float money. The person who cashed the cheque will then issue floats at the event and will retain responsibility for the amounts given.
- Events – So far as possible, all cash income received should be supported by documentation such as a running tally, receipts or ticket stubs. Where this is not possible, the nominated person should try to ensure that another independent person is present during cash receipts. During events or fund-raising activities, floats and cash takings will not be left unattended.
- Cashing-Up - At the conclusion of the event or activity, the nominated individual should place all cash, cheques, tickets and receipts in a sealed envelope, with a note of the amounts enclosed and the source of the money e.g. tombola or raffle.
- Recording and Reconciliation - Two nominated individuals together will be responsible for opening all envelopes and counting and recording the contents. A balanced account will be drawn up in respect of each nominated person reconciling the float and so far as possible recorded income with monies received.

Any discrepancies will be resolved with the nominated person within 24 hours of the event. Any irresolvable discrepancies will be reported to the Chairperson within 24 hours, who will ensure that a committee decision on any action required is taken within 48 hours.

- Banking – This will be done by the Administrator or designated account signatory in possession of a paying-in book within 5 working days of the event or activity concerned.
- Cash collections – These should be made wherever possible in sealed collecting boxes issued against signature to nominated individuals, and the procedures above followed. If a cash collection is made in an open container (e.g. a bucket), an independent person should accompany the nominated person at all times. Receipts must be given on request.
- Cash storage – all cash should be kept in a locked cash box in the custody of the Treasurer, Administrator or Pre School Manager (or another individual nominated by them)

Purchasing

The purchase of all goods or services for Pre School by whatever means must be authorised. All invoices require two signatures, one being either the Pre School Manager or Administrator and the other, either the Treasurer or Chairperson. This covers everything bought by the Pre School including food, equipment, training courses etc. More significant items will be reviewed at the committee meetings which are minuted.

All purchases over £100 will require prior confirmation (by email) from the Chairperson or Treasurer. This will not apply to statutory training. Should the Pre School Manager or Administrator need to make a significant purchase, permission should be sought from the Treasurer and Chairperson before the purchase is made. They may wish to consult other committee members before making a final decision. All receipts should be retained and passed to the Administrator for consolidation. The Administrator should raise any discrepancies with the Treasurer and Chairperson.

Any Purchases over £250 require two quotes to ensure that due research has been carried out. This does not mean that the cheapest quote will always be most suitable. In exceptional circumstances eg. specialist equipment or resources, then this can be waived by prior agreement of the Chairperson or Treasurer.

- Debit Card – Debit cards are held by the Pre School Manager and Administrator. Most spending should be done using these debit cards to avoid, as far as possible, the need for staff to claim expenses. A Tesco gift card to the value of £100.00 is held to enable staff to purchase children's' refreshments each week.

Staff Expenses

- General – The Pre School does not expect it's staff to purchase goods or services on its behalf using their own money, and such purchases should only be made when there is no other reasonable means of purchase, e.g. by debit card, on a company account or by catalogue order. The Treasurer in conjunction with the Administrator will regularly review spending patterns to ensure the available funds are sufficient for the goods required and can adjust where necessary. Pre School staff members are responsible for retaining receipts when any purchase is made and these should be passed to the Administrator for regular consolidation.
- Expense Claims - Expenses must be submitted on the set form and be supported by proper receipts or a full explanation of why a receipt has not been supplied. The Pre School Manager must specifically endorse as genuine any expenses claim unsupported by a receipt. Expenses should be claimed in the month to which they relate where possible. Late expense claims should include a reason why the claim is late, and the Pre School Manager must endorse this reason as genuine.
- Authorisation and Endorsement - The Pre School Manager must authorise all expense claims by other Pre School staff before they are passed to the Treasurer or Chairperson for endorsement. The Treasurer or Chairperson must authorise all expense claims by Pre School

Manager and the Administrator. No expense claim will be paid which has not been authorised or endorsed by the Treasurer or Chairperson (or another committee member nominated by them).

- Payment - the Administrator will pay all expense claims by bank transfer or cheque only. Expense claims will not be paid in cash.
- Payroll Expenses – Expenses will not be paid as part of monthly payroll but via a separate transaction as above.

Bank Accounts

- Accounts – Bierton Pre School has a Community Account held with HSBC for it's day to day transactions. Other accounts are held for reserve monies.
- Signatories – Upon change of committee and/or staff roles, a new bank mandate must be completed. Signatories to bank accounts will be the Chairperson, Treasurer, Pre School Manager, Administrator and Deputy Pre School Manager. Instructions to the bank will require a minimum of two of the above signatories.

It is the responsibility of the Treasurer to review on an annual basis the value of our reserve monies to ensure they comply with the guidelines as set out by the Pre School Learning Alliance and Early Years. This means taking into account the length of service of each member of staff to ensure we have sufficient funds to cover all eventualities such as redundancies.

Security of Post

- General – All post including commercial mailings addressed impersonally to the Pre School received by any member of staff or committee member should be brought to Pre School and checked before disposal. The Pre School Manager, Administrator or a committee member should make this check.
- Addressed Post – All post addressed by name or title to any current or former committee member or Pre School Manager received by any member of staff or committee member should be brought to Pre School and either handed directly to the person concerned or dealt with by the Pre School Manager or Administrator.
- Black box - The Pre School Manager will ensure that the black box at Pre School will be kept locked and that access to it is restricted to the Pre School Manager, committee members or Administrator.
- Distribution of Post – The Administrator will open the black box upon each visit to Pre School and distribute all post accordingly. The Administrator may use his/her discretion in the disposal of purely commercial mailings.
- Security of Post – The Pre School Manager will ensure a committee member is informed about all post remaining in the black box prior to the weekend or a holiday period.

Paying Staff

- Employees are paid for the number of hours they work and accrue statutory holiday pay.
- All statutory rights with regards to pay are adhered to.
- Salaries are paid monthly by the Administrator via bank transfer.
- Bierton Pre School uses a payroll company for the purposes of calculating PAYE, National Insurance and Pension contributions. Payslips are provided by the payroll company and distributed by the Administrator or Pre School Manager.

Date: **01/10/2019**

Signed:.....

Name: **SARAH HEARN**

Role of signatory: **CHAIRPERSON**

Read and signed by all staff