

**BNENC**

**Financial Control Policy**

June 2024

Bob Blanchard

## BNENC Financial Control Policy

### **Lead Officers:-**

Paul Robinson Director of Operations  
Eric Binks Treasurer

### **Independent Examiner**

Counting for Communities Ltd  
16 Holmwood Drive  
Liverpool  
L37 1PQ

**BNENC fully complies with all financial regulations and Law established by the Charities Commission: Companies House and the Financial Services Authority in relation to financial control.**

### **Financial Records**

1. BNENC operate an online accounting operating software system ( Quick Books ) that analyses all transactions this system is the responsibility of BNENC's Operations Director who ensures that all transactions are placed upon the system within 5 days of any action. The system allows BNENC to establish individual funding streams for the many different Projects / Programmes it delivers within the community. The operating software system also backs up all transactions made. A full yearly print out of this record is submitted to the auditors for the end of year audited financial accounts.
2. BNENC have a petty cash system and have developed a separate petty cash policy to manage – ( see included in this report ) the petty cash record is the responsibility of BNENC's Director of Operations and in his absence the Treasurer.

### **Banking Procedures**

1. BNENC have an established bank account with a known bank – Virgin Money any changes to BNENC's Bank account and or its signatories is made with prior consultation with the finance sub group and BNENC's Board of trustees all decisions and recommendations made are recorded and a copy of the records kept on file within BNENC's Secure Finance Office.
2. BNENC will ensure that at least 2 unrelated individuals who are Board members are the signatories on the account – BNENC does not operate a check payment system – all payments should be made via BACs or petty cash but will accept cheque payments as a last resort.

3. BNENC due to its financial turnover will ensure that it receives regular bank statements that these are made for the attention of the BNENC's Director of Operations who on his inspection then hands over the statements to the Treasurer in order to complete a bank reconciliation at the end of each month. The bank reconciliation enables the Treasurer and BNENC's Director Operations to be able to report back the financial state of the Organisation to the Board and its members.

## **Financial Management**

1. BNENC will ensure that its Trustees meet on a regular basis to monitor the finance and budget and that each year its Trustees approve the financial budget for the next financial year – this will provide Board members to have a full picture of the financial state of all the projects that it delivers and to make suggestions / recommendations and implement any legal actions it may deem necessary to ensure the financial security of the organisation.
2. BNENC trustee's will be presented with a financial report every 6 to 8 weeks this will form part of the funding finance plan for the forth coming year – it will also enable Trustees to pick up on any concerns or issues they may have with projects and their budgets approaching an overspend and to be able to readjust and address spending before any problem arises.
3. BNENC will ensure that it seeks to ensure best value in all of its purchases whether it be for capital items or services – it will seek competitive tenders in line with LCC recommendations.

## **Payments**

1. Security - BNENC will ensure that there is no more than £200 kept in the office safe and all monies received are recorded and that receipts are provided to the individual making the payment this is to be banked at the end of each working day – payments in to the bank will only be made by BNENC's Director of Operations and the Treasurer who will ensure they received an official stamped bank receipt for payments in.
2. The petty cash tin is to be kept under lock and key at all times – this is to be stored in the company safe along with the company debit card.
3. At the end of each days work the finance office is to be locked and the only people to have access to the office are the nominated officers with regard to computer passwords only the following people will have access to them.

Director of Operations  
BNENC Treasurer  
BNENC CEO

This is to ensure that the financial system is not compromised by too many individuals having access to the system.

4. Volunteer / staff expenses – must be claimed using recognised petty cash forms any expenses must be with the prior agreement by BNENC's Director of Operations who will countersign the petty cash form – see included form.

### **Other Financial Controls**

1. BNENC will keep at all times a full list of property and a fixed asset register this will show details of each item and list cost / date purchased and when written off.

2. At the end of each days work the finance office is to be locked and the only people to have access to the office are the nominated officers with regard to computer passwords only the following people will have access to them.

Director of Operations  
BNENC Treasurer  
BNENC CEO

This is to ensure that the financial system is not compromised by too many individuals having access to the system.

3. BNENC will ensure that it establishes a secure payroll procedure with its named accountant – in relation to staff payroll / Employers NI & Tax pensions etc. – ensuring that staff salary is paid on time is the responsibility of The Treasurer and Director of Operations– staff will keep time sheets and submit them to the Director of Operations at the end of each month in order that the Director of Operations can then inform the accountant of correct salary to be paid to individual. All Staff salaries will be paid on the 16<sup>th</sup> of each month via a secure BACS payment copies of all payroll salaries are kept on file at the BNENC office.

4. To reduce cost and time BNENC has now established a secure online banking system this is the responsibility of the Director of Operations / The Treasurer– all agreed financial procedures are to followed in relation to income and expenditure.

Financial Control – Petty Cash Management 2024
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1. No money will be issued without a receipt or petty cash slip for goods purchased.
2. A separate expenses Re-imburement form must be completed giving all details for each individual project to be charged prior to any money being issued.
3. In the event that any question on the expense's reimbursement form cannot be completed, the Operations Director must give approval and sign the form before any monies will be handed over.
4. All Volunteers receiving Petty cash reimbursements must sign a declaration to state that it is their responsibility to notify DWP and or HMRC if they feel any payment impacts their benefits and or pensions.
5. No sum over £25 will be reimbursed via petty cash without the full approval and signature of the Operations Director and or Treasurer.
6. The holder of the Petty Cash **will be Held Liable** for any shortfall in the Petty Cash Account.
7. All monies paid into the Petty Cash must be recorded on the Cash Income sheet.
8. All monies paid out must be recorded on the Cash Expenditure sheet.
9. A balance must be completed at the end of each week and also prior to any additional request for cash for the Petty Cash Account this to be shared with The Treasurer.
10. An Income and Expenditure Sheet must be completed by the Account holder on the first working day of each month and presented to the Operations Director for his approval.
11. Under no circumstances can any member of staff utilise the Petty Cash for anything other than bona fide Company Business. Anybody doing so or allowing Petty Cash to be used for personal reasons will be subject to disciplinary procedures up to and including instant dismissal.
12. If any member of staff responsible for handling of Petty cash is going away on holiday, then they must ensure a proper handover of accounts with the replacement to ensure the accounts are correct prior to taking leave.

- 13.If the Petty Cash Account holder goes on sick leave / annual leave, a check of the accounts must be completed by the Operations Director prior to handing over responsibility to another member of staff.

Financial Control – BACS Management Policy 2024
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## **Payments By BACS**

- All payments over the agreed sum must be paid to the individual via the BACS system by the Operations Director with the agreement of the Treasurer any payment for the Operations Director must be signed off by the Chair or Treasurer or in their absence another senior board member.
- No nominated signatory may agree a payment that is made payable to themselves.
- All requests for BACS payment must be accompanied by the **relevant invoice/receipt**, this is then checked with the Programme funding stream to ensure that it is in line with agreed budget spend, and the signatory must be fully satisfied regarding the authenticity of the request prior to signing.
- Authorisation for cash payments must be kept to a minimum and whenever practical, BACS Payments must be issued for all services or goods purchased.
- Any order or individual payment over The Agreed limit as it now stands of £500 ( **other than the agreed wage account** ) must first be approved by the Board again with prior checking the funding stream it is attached or aligned to this must be minuted and recorded in the Boards minutes stating reasons for the payment and who the payment is to be made out to.

## **Travel / Mileage / Subsistence.**

- All claims for Travel / Mileage / Subsistence must be completed on the appropriate form and state Date, Time, Distance and Mode of Transport used along with the reason for doing so.
- All claim forms should clearly state what project the expenditure is to be booked to.
- No claim will be paid unless receipts are provided along with the claim form, i.e. bus tickets, taxi receipts etc.
- All staff should avoid utilising taxi services unless it is absolutely necessary and no other form of transport is available.
- When attending meetings away from the premises,
- Mileage claim forms should be completed monthly and given to the Operations Director for authorisation prior to any money being handed to the claimant.
- Mileage payments will be made by petty cash to the claimant after the forms have been checked and authorised by the Operations Director.
- If any volunteer is working for BNENC for more than 6 hrs then it is expected that BNENC pay a subsistence payment to cover lunch this amount is to be discussed and agreed prior with the board and should be paid on the day of working.
- If a volunteer and or staff member is away on Training it is expected that BNENC pay a subsistence payment of £25 per night to cover additional costs re refreshments and meals etc.

## **BNENC Travel Form.**

This form should be completed monthly and submitted to the Operations Director. Please attach receipts, tickets and evidence of expenditure.

Name:

Date:

Date	Details of travel/subsistence	No. of miles	Amount claimed

Total Amount: £

Approved by:

I have received the amount detailed above of £

Signed:

Dated:





Reg Charity No 1071374      Company ltd 3596998

Date

I .....am a Volunteer with Breckfield & North  
Everton Neighbourhood Council Ltd.

I hereby provide BNENC with permission to use my image for publicity  
purposes that includes social media / photographs / video etc.

Signed.....

Witnessed.....

Dated.....

**Disclaimer**

I.....am a volunteer with Breckfield & North  
Everton Neighbourhood Council Ltd and understand that it is my duty and  
responsibility to inform The DWP and or HMRC of any payment that I receive  
from BNENC in relation to my role as a volunteer that may impact my benefits  
and or pension payments.

Signed.....

Witnessed.....

Dated.....