

Old Dalby CofE Primary School PTA

Old Dalby CofE Primary School PTA Financial Controls Policy

Old Dalby Church of England Primary School Parent Teacher Association (PTA) committee is collectively responsible for the finances of the association and must therefore formally agree to any project. It is the responsibility of the Treasurer to ensure that all financial transactions are presented and recorded correctly.

This document has been prepared to set out rules and processes to follow when handling finances on behalf of the 'Old Dalby Church of England Primary School Parent Teacher Association (PTA). Financial controls can make the Treasurer's job much easier and should keep the PTA's money safer.

Financial Records and Accounts

1) Financial Records must be kept so that:

- The organisation meets its legal and other statutory obligations, such as Charity Acts, Her Majesty's Revenue & Customs and common law.
- The trustees have proper financial control of the organisation.
- The organisation meets the contractual obligations and requirements of funders.

2) The books of accounts must include:

- an income and expenditure ledger (either paper or electronic) for the current financial year.
- a bank account activity ledger (either paper or electronic) to reconcile transactions appearing on the bank account(s).

3) Accounts must be drawn up at the end of each financial year, within 3 months of the financial year end, and be represented at the next Annual General Meeting (AGM).

4) A financial update should be presented to the PTA committee following every fundraising event.

5) An appropriately qualified auditor/independent examiner will be engaged by the trustees to audit or examine the accounts, if required by legislation.

6) Old Dalby Church of England Primary School PTA will adhere to good practice in relation to its finances at all times, e.g. when relevant it will set up and maintain a fixed asset register stating the date of purchase, cost, serial numbers and normal location of assets. Additionally Old Dalby Church of England Primary School PTA will maintain a property record of items of significant value, with an appropriate record of their use.

Banking

1) A Clubs, Charity and Community Bank Account is currently maintained with HSBC Bank PLC at its Melton Mowbray Branch. The account is held in the name of Old Dalby Church of England Primary School Parent Teacher Association. The sort code is 40-32-14 and the account number is 21473069.

2) The bank account will operate as laid out within the terms and conditions set out in HSBC's 'Business Banking Terms & Conditions' document.

3) A bank mandate (list of people who can sign cheques on the organisation's behalf) has been approved and minuted by the trustees. Any changes required to the mandate must be agreed by the trustees and minuted.

4) The nominated Primary User will be the PTA Treasurer. Secondary User(s) and their permissions will be agreed and minuted by the PTA committee.

5) The bank mandate will be maintained and kept accurate at all times

6) The Treasurer must ensure that bank statements are received monthly and that reconciliations are completed within 3 days of receipt. A second trustee will spot check that this reconciliation has been done at least twice a year, signing the bank statement (or a bank account activity log) accordingly.

7) Bank statements should be addressed to Old Dalby Church of England Primary School PTA's Treasurer and sent to Old Dalby CofE Primary School. The Treasurer must ensure that they collect the statement from the school office without undue delay.

8) Old Dalby CofE Primary School PTA will not use any other bank or financial institution or use overdraft facilities or loan facilities without the agreement of the trustees. Any new financial facilities must be held in the name of 'Old Dalby Church of England Primary School Parent Teacher Association'.

- 9) All changes to banking facilities must be approved and authorised by the trustees, this includes, but is not restricted to, activating on-line functionality and the acquisition of payment cards.
- 10) The Treasurer and Chair, as a minimum, will have access to online banking facilities. Any additional trustees access will be agreed at a PTA meeting and minuted accordingly.
- 11) The Treasurer has a daily maximum payment limit of £300. £150 maximum can be paid per day to an individual. All payments will be supported by the appropriate documentation (invoices/expenses claim form).
- 12) Passwords and log-ons for online banking facilities must be kept secure and not shared. Security details that anyone else can easily guess should not be chosen.

Income

- 1) The treasurer will log all income onto the financial records, without unnecessary delay.
- 2) Any monies received prior to a fundraising event date (e.g. pre-sold entry/sponsorship) shall be logged on an 'Event Pre-Sold Form' detailing what monies have been received and what they have been received in exchange for. The payee and the recipient shall sign the form to confirm that the transaction has taken place. This form shall be stored with purchase receipts after the fundraising event has been held.
- 3) Any commercial entity supporting a fundraising event through sponsorship shall receive an invoice for the sponsorship and/or a receipt for funds received upon settlement of the invoice. If settlement is in cash, two PTA members should sign the receipt, confirming that the amount received is correct. Financial records will be updated by the Treasurer.
- 4) If an invoice issued by the PTA is settled by Bankers Automated Clearing System (BACS), the Treasurer will update the financial records to reconcile the payment and will generate a receipt for funds. Only one PTA member signature is required for these transactions as no cash has been handled.
- 5) All monies received during a fundraising event should be counted and verified by at least 2 members of the PTA prior to leaving the event. An Event Takings Form should be used to record takings. This should be signed by the people counting and verifying the totals. If it's a large event, the count could happen during the event rather than leaving it until the end. The Treasurer normally supervises the counting. It is an insurance requirement that any amount claimed has been counted prior to leaving the event venue.
- 6) The Treasurer will take custody of monies raised after a fundraising event to enable funds to be promptly recorded in the correct manner. Money should be banked as soon as possible or be kept in the school safe. If this is not possible it should be kept in a locked cash tin.
- 7) The insurance policy limit for cash cover in a private house is £1,000. If event takings mean that the Treasurer will be holding more than £1,000 of PTA funds at their home, the event takings should be divided between committee members and a record kept of each amount and where the address it will be kept. This is an insurance requirement.
- 8) If the Treasurer is not available to attend a fundraising event, an alternative committee member must take responsibility for the income, until it can be passed to the Treasurer. A receipt should be prepared and signed by the parties involved detailing the date and the amount handed over.

Deposits

- 1) Details of any bank deposit must be entered on a copy paying-in slip, counterfoil or listed in a supporting book. The details should include: the amount of the deposit and a reference, such as the number of the receipt or the name of the debtor.

Payments & Withdrawals

Cheques

- 1) The bank account has a cheque book. The Treasurer is responsible for holding the cheque book (including unused and partly used cheque books).
- 2) The relevant payees name will always be inserted on the cheque before signature and the cheque stub will always be properly completed.
- 3) A minimum of two Trustees (preferably three Trustees) must be authorised to sign cheques. All cheques require two signatures. It is recommended that the Chair and the Treasurer hold this authorisation, along with a further agreed member of the PTA.
- 4) A cheque must not be signed by the person to whom it is payable.
- 5) No cheque should be signed without original documentation (see 'Payment Documentation' below).
- 6) Blank cheques will NEVER be signed.

Bank Transfers

- 1) All payments made using the online banking facility must follow the 'payment documentation' process outlined below.
- 2) The daily payment limit is set to be £300, with a £150 limit for payments to any one individual.
- 3) No money transfer should be made by the person to whom the payment is payable, unless overseen by a 3rd party who signs the expenses claim form to confirm that the a legitimate payment has been made.

Payment Card

- 1) There is no payment card currently linked to the Old Dalby Church of England Primary School PTA bank account. If any payment cards are aquired, this section must be updated.

Payment Documentation

- 1) Every payment from Old Dalby Church of England Primary School PTA cash tin or bank account must be evidenced by an invoice/receipt. This should be an original invoice. Electronic copies will be accepted if necessary. The invoice will be retained by Old Dalby Church of England Primary School PTA and filed appropriately.
- 2) A PTA Expenses Claim Form (02 PTA Expenses Claim Form) must be completed and submitted with all expenses receipts/invoices. It is the claimants responsibility to ensure that bank account details on this form are correct and legible.
- 3) All payments must be recorded on the income and expenditure log, and cheque payments must also be recorded on the bank account log.
- 4) All payments must be accompanied by a numbered payment receipt, which details the date of the payment, how much the payment is for, the method of payment, what the payment is for and the payment recipient (payee).
- 5) If the invoice is paid by cheque, the cheque signatory should ensure that the invoice is referenced with: a) cheque number b) date the cheque is drawn c) the amount of the cheque
- 6) If an invoice is paid by cash, the numbered payment receipt must be signed by the Old Dalby Church of England Primary School PTA's Treasurer or alternative trustee (payer) and the payee to confirm that the transaction is correct.
- 7) A cash payment 'payer' and 'payee' cannot be the same person.
- 8) A bank transfer payment should not be made by the same person (the 'payer' should not be the same person as the 'payee'). If this does need to happen, a 3rd person will witness the transfer and sign the relevant expenses claim form to confirm that the payment is legitimate.
- 9) No payment receipt will be issued by Old Dalby Cof E Primary School PTA when a bank transfer payment has been made as there is a clear audit trail of payments made using the bank account statement.

Purchase Request/Expenditure Approval

- 1) Old Dalby Church of England Primary School PTA does not accept liability for any financial commitment unless properly authorised. A PTA Purchase Request form (02 PTA Purchase Request Form) must be completed prior to undertaking any financial commitment over £50.00.
- 2) In exception to the above, Old Dalby Church of England Primary School PTA Chair and Treasurer (and others agreed and minuted by the Committee) have delegated authority of £100 to purchase regular stock items for events (eg licences, food, beverages and prizes). These purchases should be discussed, agreed and minuted at an event planning meeting.
- 3) In exceptional circumstances such undertakings can be made with the Chair's approval. Full details must be given at the next meeting of the trustees.
- 4) Old Dalby Church of England Primary School PTA does not currently engage in fundraising grant applications. However, if this changes all fundraising and grant applications undertaken on behalf of the organisation will be undertaken in the name of Old Dalby Church of England Primary School PTA with the prior approval of the committee.

Reserves

Old Dalby Church of England Primary School PTA treasurer is responsible for maintaining a bank account balance to

cover all known expenditure for the year. This includes expenditure on annual membership fees and known financial commitments, e.g. known costs relating to fundraising event.

Safeguarding Against Financial Crime

Old Dalby Church of England Primary School PTA committee members are responsible for keeping the Old Dalby School PTA finances safe from financial crime. All members of the PTA should be aware of and follow the guidance given in the 'Keeping Your Charity Safe From Financial Crime' booklet produced by HSBC.

This document should be reviewed and updated annually.

Last update: _____September 2020_____

The date for the next review is: _____September 2021_____

