



## **FINANCIAL PROCEDURES**

### **Purchasing**

All purchase orders must be made in writing and must be signed for authorisation by the Leader/CEO. Goods that are purchased on a regular basis such as copier paper, toilet paper, and paper towels may be purchased without signed authorisation in case of emergency. Petty cash should be used for purchases up to £25, volunteer expenses sheet should be used for purchases up to £100 cash or £250 direct payment or cheque and the Leader/CEO can authorise any payments up to £1000 or in accordance with the budget or specific project grant budgets.

### **Invoices**

All invoices must be passed to the Leader/CEO for signing to authorise prior to their being paid. The corresponding purchase order and dispatch note must be filed with the invoice. Invoices should be paid within 30 days of receipt unless otherwise stated, or if they have a query against them. Invoices that are being queried should be marked as such.

Non-order invoices should be kept to a minimum as most expenditure requires a purchase order. Expenditure that does not require a purchase order are for goods and services such as photocopying, cleaning, utility bills etc.

All BACS runs must be approved by two signatories of staff online. The Leader/CEO must sign both the online printout and the BACS run to ensure they reconcile and contain only payments authorised to be paid.

All cheques must be double signed –When the cheques are signed they must be accompanied by the invoices they relate to and placed in the finance team in tray.

### **Procurement card expenditure**

A procurement card can be used when the purchase order and invoice system is not available or applicable. This should have a limit of £1000 and be paid off in full every month.

The card must be kept in the safe. Any authorised member of staff using the card must have prior authorisation by the Leader/CEO. Users must complete the card use record that is in the safe and give all receipts to the office staff.

The Leader/CEO must sign each completed page of the card use record and the card statement issued monthly.

The finance team will record expenditure on the system, posting expenditure to the correct cost centres. Expenditure will be reconciled upon receipt of bank statements.

### **Petty Cash**

Petty cash must be kept in the safe. Petty cash reimbursements can only be made for amounts up to £25. All expenditure must be supported by receipts and recorded by the office staff. This will be reconciled each week.

Higher cost expenses up to the value of £100 should be entered on a staff/volunteer expenses form along with receipts for countersigning by Leader/CEO this may be paid in cash/cheque or BACS. Amounts over £1000 on expense forms will only be paid by BACS or cheque.

### **Income**

All income must come to the office. Money is recorded in the spreadsheet in the safe and stored securely in the safe until it is banked. The office staff bank the income and the finance team record it onto the computerised accounting systems.

Income is collected and deposited with the bank on a weekly basis and must be transported in pairs and in smaller amounts if there is a large amount to be deposited.

### **Bank Reconciliation**

Bank reconciliation is completed by the finance team upon receipt of bank statements.

Copies of income received by BACS must be filed with bank statements.

### **Inventory**

Items over £100 in value must be added to the inventory immediately upon purchase. Where applicable items should be security marked

A physical check of the inventory must be completed on an annual basis.

Disposed items must be recorded in the inventory.

The inventory must be stored in such a way that a back-up is kept off the premises overnight.