



Friends of Orton Wistow School (FOWS) Financial Control and Expense Policy

Introduction

This policy sets out the principles for Financial Control and Expenses within Friends of Orton Wistow School (FOWS).

It is relevant to all within Friends of Orton Wistow School (FOWS) and is endorsed by the committee.

It will be reviewed at each AGM to ensure that it remains appropriate to the Organisation and its volunteers needs.

Applicability

This policy is applicable to all Trustees and Committee Members who are legally responsible for the running of the association and for all Members of Friends of Orton Wistow School (FOWS) who are entitled to be reimbursed for out-of-pocket expenses which they legitimately incur whilst supporting the delivery of the charity's objects.

Bank Account Management

- The Bank mandate will require two signatures from a pool of three to four signatories (of which at least 2 should be Chair, Treasurer or Secretary).
- The Treasurer will operate the bank account and retain passwords for online banking (if applicable)
- Any payments made through online banking should be authorised.

Use of Bank Cards

- Any Bank card issued is the property of Friends of Orton Wistow School (FOWS) and should be returned to the committee if the card holder is no longer an elected committee member.
- Bank cards should only be issued and used by the authorised bank signatories named on the card.
- Any purchases made using a Friends of Orton Wistow School (FOWS) bank card require a receipt to be handed to the Treasurer for correlation with the bank statement.
- All purchases must be agreed by the committee prior to purchase.

Online Banking

- Any online banking details issued are to be stored safely and only known to the person they have been issued to.
- If online banking details have been issued to an individual it is for their use only and not to be shared.
- If online banking details have been issued for the association rather than individuals then these should only be known to the current bank signatories that have authority to act on behalf of the association.
- If a single authorisation is required then any payments or transfers should be made only after agreement with the committee.



- If dual authorisation is required then one person creates the transaction, and another signatory authorises the transaction. The committee should have agreed to any payments or transfers in advance.
- If a person with online bank details leaves the committee they should be removed as a bank signatory and the bank notified to remove their online access.

Handling Cash

There are extra procedures for the handling of cash due to difficulty of tracking transactions. For large events, such as the Christmas and Summer Fairs, there will be a minimum of two people counting cash. In addition, any other legal requirements under licences will be complied with. Money from events will be banked within a week of the event unless required for petty cash to pay outstanding expenses or for floats at future events. A maximum of £120 will be held in petty cash for payments of expenses or floats. Additional funds required for large events shall be provided by the Treasurer after committee approval and recovered from cash takings.

Expenses

All Trustees may be reimbursed for reasonable expenses incurred whilst carrying out their duties as a Trustee of Friends of Orton Wistow School (FOWS).

Receipts must be provided for all expenses.

All claims for reimbursement must be made within 30 days of the date of expense.

There will be no payment of expense claims for committee members or trustees for telephone calls that have incurred no actual cost as they are covered by a contract which included an allocation of “free calls”, petrol/milage or childcare costs incurred when organising PTA events.

The Chair or Treasurer have final say on what is a “reasonable” expense and individuals should check with the Chair or Treasurer in advance wherever possible if they are unsure as to weather the expense would be considered reasonable or not.

Purchases

Members of the Association are entitled to be reimbursed for purchases made for Friends of Orton Wistow School (FOWS). Purchases must be pre-approved by the Treasurer or Chair and have already been agreed by the committee as an agreed spending of funds.

Any member who has not received pre-approval for a purchase is not guaranteed reimbursement.

Receipts must be provided for all purchases.

All claims for reimbursement must be made within 30 days of the date of purchase.

Waiving Expenses (Donating Expenses as Gifts in Kind)

Members who generously waive their expenses or purchases as ‘donations’ to Friends of Orton Wistow School (FOWS) inadvertently create some difficulties. If reimbursement of expenses and purchases are not claimed they cannot be entered into the accounts to show both the true running costs and the generosity of its supporters through cash-donations. If the amount of waived expenses and purchases are entered into the Friends of Orton Wistow School (FOWS) Accounts then Friends



of Orton Wistow School (FOWS) may not claim Gift Aid (if applicable) on these amounts as 'Gifts in Kind' are excluded from Gift Aid.

Accounts and Recording of Transactions

The Treasurer shall keep the accounts up to date to produce accurate reports for the Committee and to keep track of cash and bank balances.

The Treasurer shall produce an income and expenditure statement and bank reconciliation for Committee meetings plus a breakdown of all events.

Where applicable, the Treasurer with the Chairperson will make arrangements for an audit/independent examination of the accounts at the end of each financial year. This should be completed by a financially competent qualified person who is not on the Committee or related to a committee member.

The Treasurer shall record the flow of money into and out of Friends of Wistow School

- All money received by PTA must be recorded, no matter how small the amount may be.
- All payments made from the account or out of cash income must be recorded and receipts retained.
- Bills must be paid when due.
- Donations to the school must be recorded and broken down into headings so that it is transparent what the money was used for.
- The Treasurer and Chairperson will ensure that Accounts/Annual Reports/Annual Statement of Accounts/Gift Aid (where applicable) are submitted annually in line with all applicable legal laws/regulations to the Charity Commission and other required authorities.

Changes to the policy

The Committee reserve the right to change this policy to maintain consistency with current best practice and the needs of the organisation. This policy will be reviewed annually by the Friends of Orton Wistow School committee at the AGM but may be amended at any time at the discretion of the current elected committee.