



FINANCIAL CONTROLS POLICY

Budget

A budget will be produced annually. This will be amended during the year according to the number of children attending and staff required.

This is only a guide to the financial situation of the playgroup. Unavoidable changes, for example children starting and leaving, will result in large increases and decreases in the amount available in the budget.

The budget will also be used a guide to pay rises and fees increases.

The Bank Mandate

As required by the constitution, cheques and other orders for payment shall normally be signed by two designated persons, one of whom shall be a trustee. As long as the payment is not subject to conditions of a grant where two signatures must be obtained a single signatory may be used to sign up to amounts of £100

Authorisation Of Expenditure

If an amount of over £100 is spent, this needs to be authorised by a Trustee.

Salaries

Wages will be calculated upon receipt of a completed timesheet at the end of the month using Payroo software. The chair can access this software if required. The appropriate payments will then be scheduled in the bank account to staff and HMRC by the book keeper. A trustee will then authorise payment to staff and HMRC.

Increases to salaries will be agreed with the Chair, Supervisor and book keeper. The book keeper will be responsible for amending the budget to check sufficient money is available for the agreed salary increases.

Petty Cash/Debit Card

The Supervisor and Book Keeper will hold Debit Cards which can be used to take cash from an ATM up to the value of £100. All receipts for the petty cash account must be given to the Book Keeper at the end of the month with the timesheets. Any large purchase will



be agreed in advance with a trustee who will then authorise the transfer of the appropriate amount into the petty cash account connected to the debit card.

Cash Income

Cash from fees should be counted at the playgroup to confirm the amount in the envelope. The amount should be written on the envelope with the name of the member of staff and date of when it was counted.

Bank Reconciliations

These are done regularly (at a minimum monthly) usually when the book keeper logs on to the internet banking. This is done regularly as parents usually pay by internet banking and a note needs to be kept of outstanding fees.

Committee Reports

A Chair's report is to be kept at the Village Hall which will be updated monthly for all the Officers and the Supervisor to see. This will show any changes in the budgeted amounts as far as can be shown and there is reason. This will include wages, HMRC, outstanding fees, Fund Raising, Fund Raising Expenditure and any other expenditure not in the budget. Copies of the bank statement will also be included.

Audit And Independent Examination

A record of all transactions will be made into the annual report to be distributed at the AGM, this will be done by the book keeper in liaison with the treasurer. The Chair, Treasurer and Book Keeper will be responsible to completing the Charities Commission Annual Return by the agreed deadline. This includes getting the accounts independently examined.

Filing System

The Book Keeper will keep all receipts, invoices, remittance advices and required paperwork in a filing system. Anyone who would like to see the accounts may have access at any time.



Confidentiality

The Playgroup will maintain the confidentiality of all financial matters and notify the Information Commissioners Office in accordance with the Data Protection Act.

Insurance

The Playgroup will continue to use the Pre-School Learning Alliance membership and insurance. This will be reviewed annually by the Chair, Supervisor and Book Keeper to make sure adequate cover is maintained.

Expenses Policy

Staff expenses should be attached to their monthly timesheet. Any item over £100 should be authorised by the Book Keeper and Supervisor. Any large expense may be reimbursed before purchase with agreement by the Supervisor and Book Keeper.

Reserves Policy

The playgroup will hold in reserve a sum of money sufficient to pay statutory compensation payments to each member of staff in the event of St John's Sunshine Pre-school closing (if sufficient funds are available). This amount will be calculated and reviewed by the Treasurer on an annual basis considering the age, length of service and average weekly pay (in the previous year) of staff.

In addition, contingency funds equivalent to 3 months running costs should be maintained if sufficient funds are available.