

Friends of St Mary's School (FOSMS) Financial Management Policy

The Friends of St Mary's School (FOSMS) committee is collectively responsible for the finances of the association and must therefore formally agree to any project. However, it is the responsibility of the Treasurer to ensure that all financial transactions are presented and recorded correctly.

The committee have agreed and produced a clear set of rules relating to:

Money Authorisations

The following controls will be applied when managing the money raised by the Friends of St Mary's School (FOSMS):

- All purchases over £100 must be agreed by the Committee before they are made.
- The Chairperson can authorise payments under £100 if deemed appropriate.
- Each committee member can make a purchase up to the value of £20 provided the item has been agreed in principle by the committee such as stationary/decorations for events etc. A valid receipt is still required.
- All donations to the school shall be approved by the Committee either at Committee meetings or via majority agreement email or WhatsApp poll in extraordinary circumstances.
- The maximum payment that will be given for expenses without a receipt is £1. If one is not available, then a petty cash slip signed by the Treasurer or Vice-Treasurer & recipient will suffice.
- There will be no payment of expense claims to Committee members for petrol, telephone or childcare costs incurred when organising Friends of St Mary's School (FOSMS) events.
- All other purchases including stationery costs will be paid when accompanied by receipts as long as they have been agreed in principle by the Committee.
- Blank cheques must never be written.

Bank Account Management

The bank accounts will be maintained according to the following rules:

- The bank mandate shall require two signatories for each cheque.
- The Treasurer, Chairperson, Vice-Treasurer and Vice-Chairperson are the only people authorised to operate/access the bank account and access the internet banking.
- The Treasurer and the Chairperson are the only ones authorised to instigate banking transfers. Priority is given to the Treasurer, any online transfers should be made by Treasurer in the first instance. The Chairperson can act on these matters either in agreement with the Treasurer, or on behalf of the Treasurer if the Treasurer is absent or unavailable at that time.

- Payments to signatories on the account, authorised in line with this policy, must not be instigated or seconded by the signatory the payment is for.
- Any transaction leaving the bank account must be authorised by one other person who has access to the account, either through the bank or online.
- The Treasurer, Chairperson, Vice-Treasurer and Vice-Chairperson are the only people to sign the cheques.
- Up to 4 bank cards for the account will be held by the Treasurer. One bank card per person holding the roles of Chairperson, Treasurer, Vice-Chairperson and Vice-Treasurer. If one person holds more than one of these roles, only one card will be available for their use in line with this policy. The use of the cards is only authorised for the named card holders respectively and where spending has been pre-agreed by the committee or is appropriate as per this policy.
- All card holders must sign their card out every time it is collected for use.
- Bank cards may be used for multiple transactions where payments are made in line with this policy.
- All cards must be returned at the earliest opportunity and signed back in by the Treasurer to confirm receipt.
- All transactions must be recorded, and receipts held.
- A regular review will happen of suitable bank accounts for charities.

Handling Cash

There are extra rules for the handling of cash due to the difficulty of tracking transactions:

- For all events there must be a minimum of two people counting cash.
- Money can only be taken off site by the Treasurer, Chairperson, Vice-Treasurer or Vice-Chairperson unless in exceptional circumstances. If exceptional circumstances apply, this must be approved by at least one of the above committee officers and recorded in the financial records.
- Money from events must be banked within 14 days of the event unless required for petty cash to pay outstanding expenses only. If the Treasurer is unable to conduct this, they must make arrangements for another eligible committee member to deposit the monies within this timeframe. The only committee members who are eligible under exceptional circumstances are those who hold an active FOSMS charity bank card in their name.
- The Treasurer should bank funds gross, this means without deduction for costs or expenses.
- Cash deposits must be deposited directly into the Charity's own bank account only.
- When going to the bank with funds amounting over £1000, a minimum of 2 members who hold FOSMS charity bank cards in their name must be in attendance. A signed record must be kept of the persons in attendance and the confirmed amount it relates to.

- Cash floats for events will be signed out to a pre-agreed designated person who will be responsible for the float and then required to be signed back in and must never be left unattended.
- Cash in a private residence of a committee member must be stored safely and securely and locked with either code or key access.
- No more than the sum insured through the insurance policy is allowed to be held in cash. It is the responsibility of the Treasurer to keep themselves and the committee up to date with the current amount that is insured under the active insurance policy at any given time.

Accounts and Recording Transactions

- The Treasurer shall keep the accounts up to date and produce accurate reports for the Committee and keep track of cash and bank balances.
- The Treasurer should prepare monthly reconciliations for all accounts. A second person in your charity should review these reconciliations to identify any discrepancies.
- The Treasurer must produce an income and expenditure statement and bank reconciliation for all Committee meetings so the committee can review and discuss. This must be provided whether the Treasurer will be attending the meeting or not. Also, a breakdown of events must be provided when requested.
- The Treasurer will make arrangements for a regular simple audit/independent examination of the accounts throughout the year & at the end of the financial year. This will be a financially competent person or local accountant, who is not on the Committee or related to a committee member.
- The Treasurer shall record every transaction of money into and out of the Friends of St Mary's School (FOSMS) account, no matter how small the amount may be.
- All payments made from the account or out of cash income must be recorded and the receipt should be produced before the payment is made.
- Bills must be paid when they are due.
- Donations to the school must be recorded and broken down into general headings so that everyone knows what the money was used for.
- Charity law requires all charity trustees to prepare annual accounts for their charity.
- If money is donated for a specific purpose, it must be spent on that purpose e.g. if £1,000 has been donated for picnic benches, you need to know that the money was spent on picnic benches. This is what the Charity Commission calls a restricted fund.

Insurance

Parentkind subscription linked insurance provides its members with cover against fraud or dishonesty by any member of the Committee.

It is a condition of the current policy that cheques bear two signatures, and an independent annual examination or audit of the accounts is carried out by someone other than a Committee member or their relatives.

It is the responsibility of the Committee as a whole to ensure that the above is adhered to.

The Treasurer must also ensure that a reasonable standard of care and supervision of the Friends of St Mary's School (FOSMS) monetary affairs is implemented.

For limits covered please refer to the current Parentkind Insurance summary <https://www.parentkind.org.uk/For-PTAs/Member-benefits/Insurance>

Identifying Facilities & Spending Funds – Funding Request Form

The Friends of St Mary's School (FOSMS) have devised a funding request form, all requests are to come through this form which needs to be fully completed and then submitted to the committee for discussion at the next committee meeting.

When the Friends of St Mary's School (FOSMS) agrees a purchase, the requester will be informed and the Treasurer will release the money to St Mary's Church of England Primary School once the purchase cost has been confirmed. Where possible, the requester will make the purchase using EasyFundraising web links.

At any Friends of St Mary's School (FOSMS) Committee meeting which agrees expenditure, members will be reminded of the Conflicts of Interests policy and asked to declare any such conflicts before decisions are reached.

The Treasurer should request proof from the school, in the form of an invoice or a signed certificate, as confirmation that the money has been spent on the items for which it was raised.

Enquiries regarding finances

The Friends of St Mary's School (FOSMS) finances are reviewed and discussed at the monthly Friends of St Mary's School (FOSMS) meetings, All Friends of St Mary's School (FOSMS) members are welcome to come along to these meetings with any questions they have regarding the Friends of St Mary's School (FOSMS) finances. If you are unable to attend a meeting, then you are advised to write down any questions you have and send it to the committee who will then respond and a meeting can be arranged if necessary.

Date adopted: 17th October 2024

Date for review: 30th October 2025