

MS -CAS FINANCIAL CONTROL POLICY

The financial control policy consists of:

- Management of financial records
- Banking arrangements
- Receipts
- Cheque payments
- BACS payments
- Petty cash payments
- Expenses, payments and honorariums
- Payment documentation
- Staff
- Other rules

Management of financial records

1) Financial records (a book of accounts) are kept to ensure the MS-CAS Trustees:

- have proper financial control of the organisation
- meet legal and other statutory obligations such as Inland Revenue and common law
- meet the contractual obligations and requirements of funders

2) The book of accounts include:

- a cashbook analysing all the transactions appearing on the bank accounts
- a petty cash book or form

3) Accounts are drawn up at the end of each financial year within three months of the end of the year, and presented to the next Annual General Meeting (AGM).

4) Prior to the start of each financial year, the forum will approve a budgeted cashflow forecast for the following year.

5) A report comparing actual income and expenditure with the budget should be presented to the Trustees / Coordinating team every three months.

6) MS-CAS will appoint an appropriately qualified auditor, accounts will be presented to the group annually

Banking arrangements

1) MS-CAS will bank with the CAF Bank and accounts will be held in the name of Multiple Sclerosis-Community Action & Support.

2) Any changes to the bank mandate must be approved and minuted by the Trustees.

3) MS-CAS will require the bank to provide statements every month. These will be reconciled with the cash book at least every three months. One Trustee will check that this reconciliation has been done at least twice a year, signing the cash book accordingly.

4) MS-CAS will not use any other bank or financial institution, or use overdraft facilities or loan, without the previous agreement of the Directors.

5) MS-CAS should if possible aim to maintain a reserve equal to £20,000.00

Receipts

1) All monies received by MS-CAS will be recorded promptly in the cashbook and banked as soon as possible.

Cheque payments

1) Manager & those on the bank mandate will be responsible for holding the cheque books which are kept in a secure place.

2) Each cheque will be signed by at least two people.

3) A cheque must **NOT** be signed by the person to whom it is payable.

4) Blank cheques will **NEVER** be signed.

5) The relevant payee's name will always be inserted on the cheque before signature, and the cheque stub will always be properly completed.

BACS payments

1) All online payments will be referenced with the appropriate invoice / receipt

2) Payments will be made using CAF Banks secure system

Expenses, payments and honorariums

1) MS-CAS will, if asked, reimburse expenditure paid for personally by volunteers or staff, providing it has been agreed to do so, and that:

- fares are evidenced by tickets
- other expenditure is evidenced by original receipts containing the items claimed against ONLY
- car mileage is based on agreed and reasonable mileage rates
- no cheque signatory signs for the payment of expenses to themselves
- honorarium claims should be accompanied by a record of what this is being paid for and demonstrates the agreed activity has taken place.

Payment documentation

1) Every payment out of MS-CAS bank account must be evidenced by an original invoice and never against a supplier's statement or final demand. That original invoice will be retained by MS-CAS and filed. The cheque signatory should ensure that it is referenced with:

- cheque number
- date cheque drawn
- amount of cheque

2) The only exceptions to cheques not being supported by an original invoice are items such as advanced booking fees for a future course, deposit for a venue, VAT, etc.

Staff

1) All formal employees will be paid within the PAYE and National Insurance regulations.

2) All staff appointments or departures will be authorised by MS-CAS Coordinating Team / Trustees, minuting the dates and salary level. Similarly, all changes in hours and variable payments (eg overtime) will be authorised by MS-CAS Coordinating Team/Trustees.

Other rules

1) MS-CAS does not accept liability for any financial commitment unless properly authorised. Any orders placed or undertakings given which are likely to cost the forum in excess of £50.00 must be authorised by the committee/steering group.

2) In exceptional circumstances, such undertakings can be made with the Chairperson's approval who will then provide full details at the next Directors meeting.

3) MS-CAS will adhere to good practice in relation to its finances at all times. This should include when relevant a fixed asset register stating the date of purchase, cost, serial numbers and normal location of assets. Additionally, MS-CAS will maintain a property record of items of significant value, with an appropriate record of their use. Any assets should be returned to MS-CAS if individual staff / volunteers stand down.

4) Purchases of goods or services over £250.00 will be subject to obtaining at least two quotes, including grants and the subsequent decision based on value for money and minuted by the coordinating team.

5) Any member or Director who has a personal interest in, or connection to, an organisation or individual who is already being paid by MS-CAS (or intends to quote for work being commissioned by MS-CAS must declare this interest and have it minuted by the coordinating team.

POLICY DATED: [16/11/2022]

REVIEW DATE : *2 years after date of policy*