

PCT Financial Policy

Approved by Trust Management Committee August 18th 2021

This policy will be reviewed at the first meeting of the Parracombe Community Trust Board Meeting following the holding of the annual Parracombe Community Trust AGM, on a quarterly basis following this meeting and at additional times during the year as circumstances dictate. All changes to the policy will require approval from the Parracombe Community Trust Board.

Payment Authorisation

Prior to monies being withdrawn from any PCT bank account (whether by cheque or any other method) or the PCT petty cash float, two authorised persons must provide their authorisation for the payment. The current authorised persons for payment approvals are:

- David Austin (Chair)
- Nick Constable (Secretary)
- Keith Denby (Board member)
- Harry Harrison (Board member)
- Simon Young (Board member)
- Jeremy Holton (Board member)
- Nick Backhouse (Board member)

Exceptions to the above must be agreed by the PCT Board, minuted and this policy updated to reflect. Current exception:

- The Village Hall Committee Chair is permitted to spend up to £200 on specific Village Hall items without reference to the Board (PCT Board Jul 1st 2020)

Each payment made must be supported by an invoice, receipt or other appropriate documentation and the authorisations must be obtained & attached to or provided with this documentation prior to payment.

The Treasurer is responsible for making all payments. Deputies will be nominated to cover exceptional circumstances e.g. illness, critical payment timescale. The default deputy is the Chair of the PCT Board.

Bank Account Transactions

All deposits received must be banked within ten working days. Cheques outstanding for more than two months, will be investigated and the recipient contacted. Where instructed to do so by the recipient, the cheque will be stopped and redrawn.

Where a payment stop on a cheque is required, this will be authorised by the Treasurer.

The Treasurer will be responsible for carrying out the following duties in regard to a payment stop on a cheque:

- Ensuring the cheque has not already been presented at the bank;
- Getting authorisation to action the stop payment using appropriate forms from the bank;
- Ensuring the bank receives notification of the stop payment notice;

- Receiving confirmation of action from the bank of the stop payment.

Lloyds Bank Account Access

Currently the following Board Members have access to the Lloyds Internet Banking Portal:

- David Austin (Chair)
- Nick Constable (Secretary)
- Keith Denby (Board member)
- Harry Harrison (Board member)
- Simon Omar (Treasurer)

The purpose or reason for the above access and any restriction will be reviewed as PCT activities and management develop and change.

PayPal Account Access

Currently the following Board Members have access to the PCT PayPal account:

- David Austin (Chair)
- Simon Omar (Treasurer)

The purpose or reason for the above access and any restriction will be reviewed as PCT activities and management develop and change.

Opening / Closure of PCT Bank Accounts

Any new bank accounts to be opened for the business must have the authorisation of the Board. For each new bank account opened, the financial system must be updated and the bank account registered by the Treasurer. Variations to banking arrangements can only be made or varied by the Board. The Treasurer is responsible for the updating of the financial system and/or bank account register with the new information. Where it is decided that a bank account is no longer necessary, the Board will authorise the closure of the bank account.

The Treasurer will then be required to complete the following:

- Ensure all transactions with respect to the account (including cheques drawn) have been completed;
- Lodge with the bank a letter, signed by two authorised signatories advising of the closure of the account;
- Meet the bank's requirements with respect to account closure; and
- Update the PCT financial system and bank account register

Books & Records

The Treasurer is required to ensure that:

- All payments and receipts are recorded in the books & records within an appropriate timescale e.g. 1 week.
- Supporting documentation is appropriately stored, secured and accessible e.g. for audit purposes.
- Treasurer to provide bank account reconciliations for the monthly board meetings e.g. Movement summary and breaks against books and records.

Appendix 1 : Accounting Policy

Village Hall Rental and Other PCT Asset Rentals For Fund Raising Events (PCT and Non-PCT)

1. Raise Invoice – But do not forward to the hirer. [Brightbook]
2. Post – Dr Accounts receivable / Cr VH Hire [PCT Books & Records]
3. Receive Donation [PCT Bank Account, PayPal or Petty Cash]
4. Mark Invoice as paid [Brightbook]
5. Post – Dr Bank, PayPal or Petty Cash / Cr Donation [PCT Books & Records]
6. Post – Dr Donation / Cr Accounts receivable [PCT Books & Records]

To be provided (Fixed Assets, Grants, Donations)