



Triple C
(Liverpool)

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FINANCIAL CONTROLS POLICY AND PROCEDURES

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Introduction

A. Our Objectives

The trustees of Triple C (Liverpool), hereafter referred to as Triple C, share overall responsibility for financial control, safeguarding the funds of Triple C and ensuring that the organisation operates in accordance with the financial powers stated in its Memorandum and Articles of Association. This document sets out how this responsibility will be exercised and where functions have been delegated to particular trustees or employees of Triple C. Procedures are implemented as necessary to ensure proper application and management of resources in an efficient and effective control environment. Risk assessments are carried out to determine the appropriate level of control in each area.

B. Roles

1. The treasurer takes the lead at board level on:

- i. Making sure Triple C keeps proper financial records.
- ii. Reviewing financial performance.
- iii. Assisting the policy sub group in ensuring policies for finance are regularly reviewed.
- iv. Ensuring that Triple C has robust and effective financial controls in place.
- v. Liaising with the Support and Development Worker (Admin) (SDWA) and Chair of trustees about financial matters and with the independent examiner.
- vi. Prepare the annual financial statements in accordance with the appropriate legislative requirements and present them at the charity's AGM.
- vii. Reporting on financial matters regularly at trustee board meetings.

The treasurer will carry out periodic internal checks, for example, prior to annual financial reporting.

2. The Support and Development Worker (Admin) is employed by Triple C to:

- i. Actively support Triple C in providing administrative and financial support enabling the effective and efficient running of Triple C as an organisation.
- ii. Monitoring income and expenditure in line with restricted and designated budgets.
- iii. Reporting of expenditure as required by grantors.
- iv. Assisting in the preparation of the end of year accounts.
- v. Day to day running of Triple C finances.
- vi. Process invoices and payments.
- vii. Process payroll and pensions.

C. Financial Records

Financial records will be kept so that:

- i. Triple C can meet its legal and other obligations, e.g. HM Revenue and Customs, Charities Acts, Companies Acts, Common Law.
- ii. Triple C can have control of the organisation's finances.
- iii. The organisation can meet contractual obligations and the requirements of funding bodies.
- iv. The organisation will keep proper books of account using the Finance Co-ordinator software. These will include:
 - cash book analysing all transactions
 - petty cash records
 - payroll records

D. Budget

- i. The financial year for Triple C runs from 1 April to 31 March the following year.
- ii. An income and expenditure budget will be drawn up for the use in grant applications by the SDWA in conjunction with the Chair. Triple C will not need to approve this document, as the budgets contained within it, are pre-approved per individual project earlier in the process.

- iii. Individual budgets are reviewed throughout the year, with a focus on the particular grant bodies' requirements for reporting.
- iv. A review of all budgets is conducted prior to every trustee board meeting.
- v. Extra reviews can take place if requested by project supervisors, employees or trustees.

E. Annual Financial Reporting and Independent Examiner

- i. A financial report will be prepared and independently examined within four months of the financial year end and presented to the next Annual General Meeting.
 - ii. The annual financial report will be submitted by the SDWA or Treasurer to the Charity Commission and to Companies House.
 - iii. Triple C will appoint an independent examiner to examine the financial report. They must approve the appointment of the independent examiner every year.
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Controls and Procedures

1. Post Opening

- (a) All post received at the organisation's premises is held securely until such time that it can be opened by the SDWA or the person nominated by them in their absence, volunteer or employee.
- (b) A record is kept of all money received including cheques.
- (c) Any cash or cheques received are to be stored securely and banked as per instructions in sections 4 & 5 of this policy.

2. Bank Accounts

Triple C will bank with Unity Trust Bank Plc and CCLA Investment Management Ltd, where the accounts will be held in the name of TRIPLE C (LIVERPOOL). The current account will be held with Unity Trust Bank Plc. The deposit account will be held with CCLA Investment Management Ltd under the COIF Charities Deposit Fund; this is an interest paying account. All bank accounts held by Triple C must be agreed, approved and minuted by Triple C. Triple C will not use any other bank or financial institution or use overdraft facilities or invest speculatively unless authorised, approved and minuted by Triple C Trustees.

- (a) Access to bank accounts:
 - i. Unity Trust Bank current account – withdrawals online only. Deposits can be made by cash or cheque through the Post Office.
 - ii. CCLA - COIF Charities Deposit Fund – withdrawals by post only, deposits can be made by BACS or cheques can be deposited by post.
- (b) Payment Authorisation: Bank Mandate is a list of people who can sign cheques/authorise payments on the organisation's behalf. This will always be approved and minuted by Triple C, as will all changes to it. Both accounts require a minimum of two people to be registered on the mandate. Triple C will select the option to have 4+ where possible on the mandate list, subject to the following requirements:
 - i. A minimum of two people is required to authorise any online withdrawals, standing order or Direct Debit payments, cheques and transfers between Triple C accounts.
 - ii. All the relevant bank paperwork is completed by the SDWA.
 - iii. No related individuals are allowed to be signatories at any one time.
 - iv. Payments must be authorised by independent signatories. A payment to an individual cannot be authorised by that individual nor any close relative.
 - v. Unity Trust Bank Plc operate an online banking service, whereby they have differing levels of authorisation for all registered users. Any change made to these levels of authorisation must be agreed and minuted by Triple C in agreement with the SDWA. The authority levels given to online banking users for Triple C current account are as follows:
 - the SDWA is a **VS user** - Visual & submit payments permission only (not authorising payments)
 - four trustees are **VA users** - visual & authorise permission (not submitting payments)
 - the trustee treasurer should be a **VO user** – visual only access
 - only two users will be required to authorise each transaction
- (c) The Banks chosen by Triple C will be required to provide current account monthly statements, and deposit account quarterly statements. Bank statements are printed and records kept up to date by the SDWA and treasurer.
- (d) All bank accounts are reconciled monthly, by both the SDWA and treasurer, and valid reasoning sought if any transactions are flagged up.

3. Payment Cycles

Payments are made by Cheque, BACS, Direct Debit and Standing Order. No payments are made by cash direct from the Triple C bank account. Cash payments are only made through petty cash.

- (a) Cash – see Triple C Petty Cash policy.
- (b) Cheques:
 - i. Prior to payment, all original invoices are checked and annotated by someone able to verify that the item or service has been received and is satisfactory. All such invoices are authorised in line with the organisation's authority limits.
 - ii. Cheques are only signed if supporting original documentation is available.
 - iii. No cheques are made out to 'Cash'.

- iv. Cheque payments are written out by the SDWA and signed by two signatories. A record is kept on the cheque stub and in the administration spreadsheet accounts by the SDWA.
- (c) BACS:

Prior to payment, all original invoices and expense claims are checked and annotated by someone able to verify that the item or service has been received and is satisfactory. All such invoices and claims are also authorised in line with agreed restricted budgets. General Fund expenditure over £100 would require agreement from Chair of trustees and treasurer (or in their absence two trustees).

 - i. Requests for BACS payments are accompanied by full bank account details, i.e. account name, sort code and account number.
 - ii. BACS payments for invoices/expense claims, etc. are created by the SDWA in accordance with agreed grant specific budgets. The BACS payment request is raised by the SDWA (VS user) when the request/invoice is received. This can be by email/telephone with a paper copy to follow/text and photo/in person. The paper copy can be left in a marked envelope for the SDWA in the Triple C office. The payment will include a limited description (i.e. mileage)
 - iii. The SDWA will then notify the relevant trustees (VA users) who are on the bank mandate by email/phone of the payments requested and the need for authorisation. This can include a description if further information is required. The trustees can request further info before authorising where they feel it is needed.
 - iv. The BACS payment is then authorised by two VA level users.
- (d) Direct Debits and Standing Orders:
 - i. Direct debits and standing orders are only used for items or services which are required to be paid on a regular basis.
 - ii. An authorised schedule showing amounts and dates of direct debits and standing orders is maintained and regularly reviewed and updated. Where the direct debit is not for a fixed amount, the schedule indicates maximum payments for each supplier.

4. Cash

- (a) Cash is collected from people at groups/activities in the 3 churches; Good Shepherd, Christ Church & St. Christopher's, and from individuals at other venues (i.e. sheltered accommodation off site). A receipt must be given and a record of the payment is kept. All cash receipts will be the responsibility of the relevant Triple C employee for the project/activity and must be filed safely for finance records. If volunteers are collecting money on behalf of a Triple C employee, that employee still has overall responsibility to ensure accurate records are kept and relevant financial documents filed.
- (b) Cash is collected by various nominated collectors (employees and volunteers). Only a Triple C employee may nominate a volunteer to their supervisor, who then makes the final decision as to whether they are suitable to collect cash. The Support and Development Worker (Volunteer co-ordinator) (SDWV) will ensure safe recruitment of volunteers is conducted. Volunteers may not nominate each other. The employee should make it clear to service users that they are only to hand over cash to the relevant named people.
- (c) Anyone who is nominated to collect cash/bank cash, must be given a copy of the relevant sections of this policy and demonstrate a full understanding of the practical implications it has on their role.
- (d) Triple C cash can be held in Triple C safe, which is located in Christ Church Community Centre, in a sealed envelope marked clearly FAO/amount/purpose. The key code for this safe will be issued to a restricted number of key holders, (namely, but not restricted to; Older Persons Community Worker (OPCW), SDWA, Children and Families Support Worker (CFSW) & Chair of Trustees). This is based on the relevancy to their job. Triple C have confirmed these key holders. They will receive full instructions on safe usage, safety and policy. Failure to follow the policy could result in disciplinary procedures being implemented in accordance with the Triple C Disciplinary Procedure Policy.
- (e) Cash is not taken home by the employee, transported by public transport, nor stored in the employee's car for any length of time. It must be deposited as soon as possible. Cash may only be taken home by an employee in exceptional circumstances, were it is not possible to return to the safe, with a maximum of £100
- (f) Cash collected by volunteers is the responsibility of the volunteer until handed over to the employee or deposited in the bank. They are expected to store the cash in a secure location, which could be at their home, until it can be given to/collected by the employee. Where possible this should be on the

day of collection or ASAP. Cash is not to be stored in the volunteer's car or carried around elsewhere, i.e. shopping. The volunteer needs to apply common sense when choosing a suitably safe location.

- (g) Cash from the Triple C safe is collected by the relevant employee and is deposited into the current account via the post office/bank by the employee within a reasonable timeline to avoid cash being carried around/held elsewhere.
- (h) Cash is not to be held for more than one week before being banked once it reaches the £500 limit.
- (i) Accumulating cash collected, at any one time, will be limited to no more than £500, by an employee or nominated volunteer, before being banked. Cash collected is to be limited to £250 per collection. (i.e. per venue). Cash is not to be transported between venues above the value of £250. If more than £500 is to be collected and it cannot be avoided, permission must be granted by the employee's supervisor and precautions taken to ensure the employees safety and the security of the cash. *NOTE: If depositing one off large sums over £2,000, the employee MUST be accompanied by one other Triple C employee, trustee or nominated volunteer to the bank/post office*
- (j) Cash is to be banked at any of the banks/post offices listed as acceptable by Unity Trust Bank Plc. All cash and cheques will be paid into the Triple C current account.
- (k) Cash should be banked in a safe manner, with high regard for the employee's safety being paramount. The employee should not bank at a regular time/day, but should vary their route/time/day so as not to establish a pattern that could be easily noticed. Visiting anywhere prior to depositing the cash is strictly forbidden, the cash must not be carried anywhere unnecessarily and must be taken to the bank/post office immediately after withdrawal from the safe/collected. (i.e. do not go to the shop/visiting/café etc. whilst carrying cash.) Cash should be kept in a plain envelope and carried in your own bag or similar; not to be held in a see-through container or money bag.
- (l) Any cash handed to someone who is not a nominated collector should be refused and referred to the correct person. Vicars, trustees and other volunteers to be informed of this and to action it appropriately. Employees must report to their supervisor if this point in the policy is not adhered to by anyone in the organisation. If someone from outside of the organisation (e.g. volunteer from the church or visitor to the centre) accepts cash and hands it over to the employee, the employee should inform their supervisor in the first instance so the person can be informed of the Triple C policy on cash handling in order to avoid any future issues arising.
- (m) A written/electronic record of cash paid into the bank account is kept by the employee and communicated to the treasurer via the SDWA. All cash needs to have a reference noted as to the purpose of the cash banked (e.g. project name, activity, employees name, etc.) If paying in cash for another project, the payee must ensure a record is made by the relevant project employee of the deposit.
- (n) Cash collections, receipts books, financial records and paying in records will be subject to occasional spot checks by a relevant trustee/SDWA.

5. Cheques

- (a) Cheques are collected and stored in the same way as cash.
- (b) Cheques are sent off to Unity bank to be paid into Triple C current account in a freepost envelope by the employee ASAP.
- (c) Any cheques handed to someone who is not a nominated collector should be refused and referred to the correct person. Vicars included in this – nobody is exempt.
- (d) A record of cheques paid into the Triple C current bank account is kept by the employee, including purpose of deposited cheque and communicated to the treasurer via the SDWA.
- (e) Cheques can be paid directly into Triple C deposit account by post. This will be completed by the SDWA who will keep a record of all payments into this account.

6. Internal Transfers

- (a) Project budget lines may be allocated to Triple C (general fund), mainly this will be for:-
 - management costs
 - administrative support
 - supervision
 - payroll costs

These costs will be outlined in the budget prior to submitting to the proposed funder. Once the grant is successful and monies received into Triple C bank account, the SDWA will complete Internal Transfers from the relevant restricted fund into the general fund as per the specific budget, and will keep a true record of these transactions.

- (b) Any other restricted fund budget lines, payable to a different fund, that require an internal transfer within Triple C current account such as; phone costs, salary contributions etc. will be moved in the same way.
- (c) Transfers between Triple C bank accounts: - Deposit account to current account and vice versa, will be authorised as per regular transactions by two signatories. These transfers can be to move restricted funding or general funds to deposit account to keep the current account balance at an appropriate level, i.e. 3 months' costs per fund. They can also be to transfer funds back into the current account from the deposit account. These transactions do not need to be confirmed by any other members of Triple C as they are not moving from one fund to another, but staying in the same fund. They will be recorded in the same way as regular transactions.

7. Fund Balances

The SDWA is responsible (with the treasurer) for keeping track of fund balances and ensuring that:

- (a) Current account funds do not run too low; this will mean transferring funds from the deposit account when necessary.
- (b) Restricted funds do not run too low and that employees/those responsible for spending are kept updated.
- (c) Invoices are sent on time for grant payments.
- (d) Triple C is kept informed and updated.

8. Payments Administration

- (a) All transactions are recorded on an administration spreadsheet that is used and maintained by the SDWA, who is responsible for recording transactions, and the Treasurer, who is responsible for reviewing transactions.
- (b) All invoices received are entered onto the administration spreadsheet ASAP on receipt. Invoices are sequentially numbered, checked for authority and compliance and allocated to the appropriate payment cycle.
- (c) Finance Co-ordinator is accounting software, designed to manage the accounts for churches and charities as required by the Charity Commission. Finance Co-ordinator is used to handle funds, journal entry transactions, bank reconciliation and financial reporting. All transactions on the administration spreadsheet are recorded on Finance Co-ordinator by the treasurer.

9. Payroll and Employees

- (a) All new starter's salary levels, contract terms and hours are authorised by the (project relevant) trustee supervisor, with a team consisting of support worker/trustees. Together, they prepare job descriptions, contract amendments, grant applications, recruitment and selection for posts.
- (b) Gross salary payments are authorised on each occasion with any variations specifically approved by the relevant supervisor to the SDWA. Employees must personally authorise any deductions from salary.
- (c) Liverpool Charity & Voluntary Service (LCVS) provide a payroll service which covers payslip issuing, processing HMRC payments and annual checks, pension calculations and advice on all payroll matters.
- (d) Wages are paid monthly to employees according to their contract and monthly amounts are confirmed by LCVS. Payments are made via bank standing orders calculated on the basis of 12 equal payments. Any shortfall, due to monthly variations, will be paid directly to the employee at the end of every 12 month period.
- (e) Statutory deductions are calculated by LCVS who ensure such payments are made to the relevant authorities on a regular basis. These payments are made by LCVS to the relevant authorities and Triple C is invoiced for them monthly.

10. Pensions

- (a) The organisation makes available, as required, access to a pension scheme. Any Government requirement for a pension scheme will be adhered to according to regulations set.

- (b) Alongside payroll, records are maintained of those employees who are members of pension schemes and deductions from salary together with any agreed employer contributions paid over to the pension provider on a regular basis.
- (c) Auto-enrolment pensions are held with NEST pensions – a Government recommended pension provider.

11. Investment Policy

The activities of Triple C are funded through grants and such funds have agreed budgets and typically a short life span. Every 3 months we review the current account holding of each of our funds to ensure there is sufficient money to cover the budget for that fund for the following four months. If there is a shortfall then, where possible, we will transfer an amount from the deposit account holding of that fund to meet the shortfall. Any current account holding of funds in excess of the greater of 4 months' budget or £3,000 will be transferred into our deposit account. For Reserves – see Triple C Reserves policy.

12. Grants

(a) Grant applications

- i. Grant applications will be made to funders to enable Triple C to achieve the aims of the charity as set out in the Memorandum and Articles.
- ii. Funders will be chosen by Triple C based on whether they are seen to fit with the ethical ethos of Triple C as outlined in our articles and values (see Triple C Articles of Association).
- iii. Funders that employees are unsure of approaching, should be brought to their supervisor/trustees for a decision before applying (i.e. Lottery funding)
- iv. All budgets must be robust and cover all associated costs. The budget must include management, supervision, payroll and support costs if incurred by Triple C during the project.
- v. Price checks/quotes should be completed prior to submitting a budget to a prospective funder and be checked with relevant project supervisor.
- vi. Budgets need to be discussed with the SDWA before application is submitted. The treasurer should be notified when a grant is successfully awarded.

(b) Handling grant funding

- i. All grants are paid directly into the organisation's bank account upon receipt and allocated as restricted where appropriate. Separate systems are in place to monitor expenditure against the grant and thus produce the necessary financial monitoring information.
- ii. Budgets must be submitted to the SDWA and the treasurer; and funding must be secured before any payments can be made. This should be taken to mean that there is a date secured that the funding will arrive, it does not necessarily have to have arrived in the bank account. Payments may be made prior to receipt of secured funding, however, this will be approved on a case by case basis, subject to charity cash flow and grant allowance.
- iii. Employees should not spend any of the budget if funding has NOT been agreed and successfully confirmed.
- iv. Purchase decisions should be made based on price comparison/quotes to ensure the best price, value and to keep within the budget.

13. Invoicing

- (a) All invoices required to be raised are centrally recorded and are promptly raised centrally, in a sequential and standard format, upon completion of services or provision of goods.
- (b) Invoiced amounts are checked to supporting documentation by an independent person and copy invoices marked accordingly.

14. Purchasing

When procuring goods and services it is Triple C's aim to achieve best value. For goods and services valued at over £1,500 at least 3 quotes will be obtained. Whenever possible feedback will be obtained from organisations that are currently using the relevant service provider. All quotes for grant applications will be obtained according to grantor requirements.

15. Security

- (a) Triple C offices are based in Christ Church Community Centre, Sedgemoor Road, Liverpool, L11 3BR. The Buildings are assessed for physical security and are appropriately alarmed and secured with key-holders being both approved and recorded according to Christ Church policies and procedures. Triple C does not own this or any other buildings. All responsibility for this building remains with Christ Church Norris Green. Triple C employees are to adhere to Christ Church Health & Safety policy at all times to ensure a safe and secure working environment for the employees and others using the buildings.
- (b) Confidential or sensitive information is held securely in lockable filing cabinets or cupboards. Access to such information is restricted to those who need it. Suitable arrangements are in place for emergency access to this information. Such information is reviewed regularly to ensure that continued retention is still required and, if not, that secure arrangements for its destruction is in place.
- (c) Refer to lone worker policy

16. Insurance

- (a) Ecclesiastical Insurance will be the insurer for the Charity. They confirm that our methods outlined for cash handling and safe storage is covered by the insurance policy.
- (b) An up-to-date inventory (including replacement value) of physical assets is maintained.
- (c) A register of all activities, including key people, is maintained and utilised in negotiations with insurers.
- (d) Adequate employers' liability and public liability cover is maintained and certificates displayed as necessary.
- (e) Insurance cover is displayed in both Triple C offices based in Christ Church Community Centre. All employees are made aware of the location of the insurance certificate.
- (f) Claims record and insurance arrangements are reviewed annually to ensure that insurance cover is adequate and appropriate.

17. Disaster Recovery – refer to Triple C Risk Management Policy

18. Data Protection - refer to Triple C Policy

19. Information Technology - refer Triple C Policy

Policy Adopted: November 2019 Policy to be reviewed: June 2020