



## **YAXHAM PARISH CHARITY**

# **Financial Policy**

## **1. Aims of the policy**

The purpose of this procedure is to set out a clear process for financial control and reporting.

## **2. Budgeting**

- 2.1. A full budget, together with written assumptions, will be prepared annually and submitted to the Trustees for approval prior to the start of each new financial year.
- 2.2. The Trustee Board will subsequently receive an outline of the organisation's financial position at each Trustee Board meeting including both up to date comparisons and future projections.

## **3. Petty Cash**

- 3.1. The Parish Council will manage the organisation's Petty Cash if any is kept.
- 3.2. The Petty Cash float will be checked each month, and a full reconciliation carried out at the end of each month with all purchases being recorded on the accounting system.
- 3.3. A maximum of £150 will be held in Petty Cash.
- 3.4. The Parish Clerk may authorise petty cash expenditure under £50, anything over £50 to be authorised by the Trustees.

Please see appendix A for procedures.

## **4. Expenditure Authority**

The following levels of authority will apply.

- 4.1. The Chair has the authority to approve expenditure as agreed by the Trustee Board in the annual budget.
- 4.2. The Chair may also authorise exceptional expenditure up to a maximum of £1000 for items not included in the budget.
- 4.3. Any expenditure over £1000 but below £5000 must be agreed by the Trustees
- 4.4. Any expenditure over £5000 must be agreed via the Trustees.
- 4.5. Any urgent expenditure can be agreed by the Chair.



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- 4.5.1. A contribution will be made to the Parish Council for a proportion of the total time and expenses incurred by the Parish Clerk and Council on behalf of the Charity. This is to be included at 11% and will include the use of computer equipment.

The contribution will be invoiced half yearly to the Parish Charity and paid in accordance with the above levels of authority.

## **5. Cheque Authorisation**

- 5.1. All cheque books to be held securely by the Parish Clerk.
- 5.2. All cheques must be signed by two authorised signatories.

## **6. Purchasing**

- 6.1. Any purchasing must adhere to the purchasing process and relevant limits.
- 6.2. In placing orders trustees will obtain the best possible value. This will involve obtaining three quotations from a number of suppliers for substantial purchases where possible.
- 6.3. Where a supplier is used regularly their prices should periodically (at least once a year) be tested against those of other suppliers.

Please see appendix D for Purchase Order procedures.

## **7. Internet Authorisation**

- 7.1. All internet payments are to be processed by the Parish Clerk
- 7.2. These payments must then be authorised by two authorised trustees/signatories.

## **8. Banking**

- 8.1. Any cash or cheques received are to be banked monthly.
- 8.2. Between banking they should be stored in the safe.
- 8.3. No monies other than petty cash should be left unbanked over the weekend.
- 8.4. Should the Parish Clerk be absent cheques/cash and copies of the relevant paperwork should be kept safe by a Trustee.
- 8.5. Should the total exceed £1,000 the cheque should be photocopied and banked at the earliest opportunity, the copy being retained with its relevant documents in the safe.



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### **9. Expenses**

- 9.1. At the end of each month staff will complete expense forms for authorisation by the Trustees.
- 9.2. Expenses for the Chair will be authorised by a member of the board of Trustees.

For Staff expenses please see appendix B and the Trustees may claim in accordance with appendix C.

### **10. Reserves Policy**

The amount of reserves for the organisation is costed as three months running costs. Any surplus will be used to support costs.

This policy was agreed on 23<sup>rd</sup> October 2024 and is due for review in October 2027.



## **YAXHAM PARISH CHARITY**

# **Appendix A**

## **Petty Cash Procedure**

### **Petty Cash Box**

The Petty Cash Box float will be £150

When money is given out of the cash box to purchase items, a Petty Cash voucher will be placed in the box by the Parish Clerk, stating the amount taken, by whom, what for and be signed for.

The voucher is then replaced with the receipt and the change when the item has been purchased.

The expectation is that staff may purchase minor day to day supplies such as milk and cleaning materials which can be reimbursed from petty cash on presentation of a receipt. During periods when the Parish Clerk is absent, members of staff purchasing items should retain the relevant receipts and present them for payment on the finance team members return.

The Petty Cash float will be checked each month, and a full reconciliation carried out at the end of each month with all purchases being recorded on the accounting system.

Staff must be aware of when they will require cash and plan this in advance with the Parish Clerk.



## YAXHAM PARISH CHARITY

# Appendix B

## Expenses Procedure (Staff)

Any member of staff incurring expenses whilst carrying out their duties on behalf of the Charity must complete an expenses form, which must be sanctioned by the Chair.

Whenever possible, expenses should be authorised, before being incurred.

### Travel

Current mileage rates:

- Car.....0.45p per mile
- Motorcycle/Moped.....0.24p per mile
- Bicycle..... 0.20p per day<sup>1</sup>

Travel expenses to your normal place of work, whether mileage or public transport fares, will not be reimbursed.

<Organisation> only pays for any additional mileage incurred, in excess of mileage to and from your normal place of work.

### Example:

*An employee who lives in Swaffham, is based in King's Lynn, attends a meeting in Norwich at the start of their working day.*

*The employee claims mileage for the return journey Swaffham-Norwich-Swaffham, BUT deducts the mileage from Swaffham-King's Lynn-Swaffham, i.e. the travel costs that would normally have been incurred.*

Any mileage incurred out of normal hours will be paid from your home to and from the venue.

Car parking expenses incurred whilst carrying out duties on behalf of the Charity are paid on production of a receipt on your expenses claim form.

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<sup>1</sup> Based on HMRC guidance: <https://www.gov.uk/government/publications/rates-and-allowances-travel-mileage-and-fuel-allowances/travel-mileage-and-fuel-rates-and-allowances>



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Where possible, tickets for train travel should be booked in advance, via the Parish Clerk to ensure the best possible price. The option of split tickets for journeys needs to be investigated to see if price reductions can be made.

### **Accommodation**

Where possible, hotel accommodation should be booked in advance, via the Parish Clerk to ensure the best possible price.

### **Train Tickets**

Where possible, train tickets should be ordered in advance via the Parish Clerk to ensure the best possible price.

Split tickets should be considered if they offer better value for money.

Tickets should be ordered over the internet and paid for using the company credit card.

At least seven days' notice is required to allow time for the tickets to be posted.

### **Subsistence Rates**

- Breakfast £6.72
- Tea £3.67
- Evening Meal £15<sup>2</sup>

If staying away from home overnight, a hospitality allowance of up to £15.00 per night may be claimed.

These remuneration rates are the maximum allowance, but staff would be expected to source the best possible price available to keep costs to a minimum.

Incidental expenses may be payable on agreement with the Chair prior to attending a function, all claims for subsistence must be supported by receipts for the appropriate amount.

In certain circumstances a lunch allowance (maximum amount £9.28) may be paid, this must be authorised in advance by the Chair.

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<sup>2</sup> Based on HMRC rates: <https://www.gov.uk/hmrc-internal-manuals/employment-income-manual/eim05231>



## YAXHAM PARISH CHARITY

# Appendix C

## Expenses Procedure (Trustees)

Any Trustee incurring expenses whilst carrying out their duties on behalf of the Charity must complete an expenses form, which must be sanctioned by the Chair. Expenses for the Chair are to be sanctioned by a Trustees.

Whenever possible expenses should be authorised before being incurred.

Claim forms are available via the Parish Clerk. Completed and authorised forms should be returned to the Parish Clerk for payment to be arranged.

### Travel

Current mileage rates

- Car 0.45p/mile
- Motorcycle/moped 0.24p/mile
- Bicycle 0.20p/day<sup>3</sup>

Car parking expenses incurred whilst carrying out duties on behalf of the Charity are paid on production of a receipt on your expenses claim form.

Where possible tickets for train travel should be booked in advance to ensure the best possible price.

### Subsistence Rates

- Breakfast £6.72
- Lunch £9.28
- Tea £3.67
- Evening Meal £15<sup>4</sup>

If staying away from home overnight, a hospitality allowance of up to £15.00 per night may be claimed.

Incidental expenses may be payable on agreement with the Chair prior to attending a function. All claims for subsistence must be supported by receipts for the appropriate amount. There may be occasions when Trustee expenses may be in excess of normal rates. Where applicable these exceptions will be agreed prior to travel.

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<sup>3</sup> Based on HMRC guidance: <https://www.gov.uk/government/publications/rates-and-allowances-travel-mileage-and-fuel-allowances/travel-mileage-and-fuel-rates-and-allowances>

<sup>4</sup> Based on HMRC rates: <https://www.gov.uk/hmrc-internal-manuals/employment-income-manual/eim05231>



## **YAXHAM PARISH CHARITY**

# **Appendix D**

## **Purchase Order Procedure**

All purchases, other than via petty cash, must be subject to these procedures.

Expenses claims for fuel and parking charges will not need a purchase order.

Any other expenses, i.e. accommodation costs must be subject to a purchase order.

When a purchase is required, you must first ask the Parish Clerk to raise a purchase order. They will need the following information:

- The customer/supplier
- The item/product
- The price, or a best estimate
- The cost centre/project to be charged

The Parish Clerk will then raise the order. This must be authorised by the Chair. Once the purchase order has been authorised an order can be placed. The purchase order must be quoted when placing the order. This will assist the Parish Clerk in matching up the invoice with the purchase order.