

Policy document control box	
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Policy owner (including job title)	Cathy Taylor (Executive Headteacher)
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RBNWL approving body	Red Balloon NWL (RBNWL) trustees
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Version	Date	Title	Status	Comment
1.05	20/9/2022	Executive Headteacher	Minor updates	Policy review to reflect the appropriate roles for Executive Headteacher/Centre Headteacher

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Financial Records and Accounts

1. Financial records must be kept so that:
 - The organisation meets its legal and other statutory obligations
 - The trustees have proper financial control of the organisation.
 - The organisation meets the contractual obligations and requirements of funders.
2. The books of accounts must include:
 - A cashbook analysing all the transactions appearing on the bank accounts.
 - A petty cash book if cash payments are being made.
 - HMRC and other payroll records.
3. The financial year end is 31 August each year.
4. Accounts must be drawn up at the end of each financial year within 6 months of the financial year end and presented to the next Annual General Meeting.
5. Prior to the start of each financial year, the trustees will approve a budgeted income and expenditure account for the following year.
6. At each trustee meeting, the trustees will approve a revised budgeted income and expenditure account reflecting changes in projected income and expenditure.
7. A report comparing actual income and expenditure with the budget should be presented to the trustees at each trustee meeting.
8. The AGM will appoint an appropriately qualified independent examiner to examine the accounts before presentation to the next AGM.

Banking

1. The Charity will bank with CAF Bank Limited and accounts will be held in the name of Red Balloon Learner Centre North West London. The following accounts will be maintained:
 - CafCash Account (General banking)
 - CAF Gold Account (Reserve account)
2. The bank mandate (list of people who can authorise electronic payments on the organisations behalf) will always be approved and minuted by the trustees as will all the changes to it.

The current bank mandate includes the following signatories:

Geraldine Norris	Trustee
Simon Jones	Trustee
Sue Fishburn	Trustee
Cathy Taylor	Executive Headteacher

The charity will require the bank to provide statements every month and these will be reconciled with the general ledger (Xero) every month.

3. The charity will not use any other bank or financial institution or use overdraft facilities or loans without the agreement of the trustees.

Income

1. All monies received will be recorded promptly in the general ledger (Xero) and banked without delay. The charity will maintain files of documentation to back this up.
2. The charity will keep a record of agreed students fees and ensure these are invoiced in advance of each school term.
3. The charity will keep a record of aged debtors and contact these debtors every month.

Payments (expenditure)

1. All payments/expenditure must adhere to the following authorisation limits:

	Payment type / amount	Process for authorisation *
1	Monthly Payroll	Authorised by Finance Trustee
2	Expenditure greater than £5,000	If already approved by trustees in financial budget, authorised by Executive Head Teacher or Finance Trustee. If extraordinary, authorised by Board of Trustees and minuted
3	Other payments less than £4,999	Authorised by Executive Head Teacher All expenses should be incurred in the normal course of the operations of the charity, in line with the approved annual budget and suitable receipts / invoices should be maintained.
4	Staff expense claims less than £300	Staff should only incur expenses with approval from the Centre Headteacher or Deputy. All expenses should be incurred in the normal course of the operations of the charity, in line with the approved annual budget and suitable receipts / invoices should be maintained.

2. * This authoriser must not be the same as the person who initiated the payment request. And the Trustee should be a member of the Centre's Finance Sub-Committee.

Current members of the RB NW London Finance Sub-Committee which comprises three RB NWL Trustees are:

Geraldine Norris	Trustee
Simon Jones	Trustee
Sue Fishburn	Trustee

3. Every payment out of the charity's bank accounts will be evidenced by an original invoice or receipt. That original invoice or receipt will be filed electronically in the general ledger (Xero) from 1 January 2020. No payment should be authorised until the signatory is satisfied of the validity of the payment.
4. Authorisation of payments/expenditure must be evidenced in writing via email, letter, minutes or through use of the electronic banking system (see below).
5. The charity will not use cheques as a method of payment and will not hold a cheque book.
6. Payments by debit card: When the charity issues a debit card to an employee or trustee it will be administered in a similar way to petty cash (see below). The cardholder will be personally responsible for any undocumented expenditure. The cardholder must adhere to CAF Banks security measures.
7. Payments on the internet: When purchases are made over the internet the charity will ensure that only well known sites are used for purchasing and that they have appropriate security as illustrated by a lock padlock in the bottom right hand side of the screen when a payment is being made.
8. Wages and Salaries: There will be a clear trail to show the authority and reason for EVERY such payment. All employees will be paid within the HMRC regulations. Changes to standing payroll data will be reviewed by a trustee as part of approving the monthly payroll payment.
9. Petty cash will always be maintained on the imprest system whereby an individual is entrusted with a float as agreed by the trustees.
10. Staff expenses: The charity will, at its discretion, reimburse expenditure paid for personally by staff providing the expenditure was wholly incurred in performing duties for the charity and has been authorised in accordance with the above authorisation limits.

Electronic banking

1. Each signatory will have a unique password which will be made up of lower and upper case letters, numbers and symbols. This must be kept secure and not shared with anyone.

The signatories are able to access the banking system for the purposes of putting transactions onto the **tue** system for authorisation, or to authorise such transactions in accordance with the authorisation limits outlined above.

2. Those initiating or authorising payments will check the suppliers sort code, account number and account name in the system match the supporting documentation (such as purchase invoice).

Reserves

1. RBNWL will maintain a reserve fund equivalent to 6 months' operating costs, as budgeted at the start of the academic year.