

SANDWICH TOLL BRIDGE FUND FINANCIAL REGULATIONS

These Financial Regulations were reviewed by Sandwich Toll Bridge Fund at its meeting, held on 4th August 2014.

The Responsible Financial Officer for Sandwich Toll Bridge Fund is the Clerk to the Trustees.

1. GENERAL

- 1.1 These financial regulations govern the conduct of the financial transactions of the Charity and may only be amended or varied by resolution of the Charity.
- 1.2 The Responsible Financial Officer (RFO), under the policy direction of the Charity, shall be responsible for the proper administration of the Charity's affairs.
- 1.3 The RFO shall be responsible for the production of financial management information.

2. ANNUAL ESTIMATES

- 2.1 Detailed estimates of all receipts and payments for the year shall be prepared each year by the RFO.
- 2.2 The Charity shall review the estimates not later than the end of January each year before the start of the new financial year on the 1st April.
- 2.3 The annual budgets shall form the basis of financial control for the ensuing year.

3. BUDGETARY CONTROL

- 3.1 Expenditure on revenue items may be incurred up to the amounts included in the approved budget.
- 3.2 The RFO shall regularly provide the Charity with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure against that planned.
- 3.3 The Clerk may incur expenditure, subject to a limit of £200, on behalf of the Charity on items that ensure the continued day-to-day functions of the Charity. The Clerk may also incur expenditure, up to £1000, when it is necessary to carry out repair or replacement or other work which is of such extreme urgency that it must be done at once, whether or not there is budgetary provision for this expenditure.
- 3.4 No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Charity is satisfied that the necessary funds are available, or the requisite borrowing approval has been obtained.

3.5 All capital works shall be administered in accordance with the Charity's standing orders and financial regulations.

4. ACCOUNTING AND AUDIT

4.1 All accounting procedures and financial records of the Charity shall be determined by the RFO as required by law.

4.2 The RFO shall be responsible for providing all necessary financial statements to the Charity's approved Accountant.

4.3 The RFO shall be responsible for submitting the Annual Return to the Charity Commission within the timescale set by the Regulator.

4.4 The RFO shall be responsible for ensuring that there is adequate and effective system of internal audit of the Charity's accounting, financial and other operations. Any officer or member of the Charity shall, if the RFO or Internal Auditor requires, make available such documents of the Charity which appear to the RFO or Internal Auditor to be necessary for the purpose of the internal audit and shall supply the RFO or Internal Auditor with such information and explanation as the RFO or Internal Auditor considers necessary for that purpose.

4.5 The RFO shall make arrangements for the opportunity for inspection of the accounts, books, and vouchers required by the Accounts and Audit Regulations 2011.

4.6 The RFO shall, as soon as practicable, bring to the attention of all Councillors any correspondence or report from the Internal and External Auditor, unless the correspondence is of purely administrative matter.

5. BANKING ARRANGEMENTS AND CHEQUES

5.1 The Charity's banking arrangements shall be made by the RFO and approved by the Charity. They shall be regularly reviewed for efficiency.

5.2 A schedule of the payments required, forming part of the Agenda for the meeting, shall be prepared by the RFO and, together with the relevant invoices, be presented to the Charity. If the schedule is in order it shall be authorised by a resolution of the Charity and shall be initialled by the Chairman of the Meeting. If more appropriate the detail may be shown in the Minutes of the Meeting.

5.3 Cheques drawn on the bank account in accordance with the schedule referred to in paragraph 5.2 or in accordance with paragraph 6.4 shall be signed by two members of the Trustee.

5.4 To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.

6. PAYMENT OF ACCOUNTS

- 6.1 All payments shall be effected by cheque drawn on the Charity's bankers.
- 6.2 All invoices for payment shall be examined, verified and certified by the Clerk. The Clerk shall satisfy him/herself that the work, goods or services to which the invoice relates shall have been received, carried out, examined and approved.
- 6.3 The RFO shall examine invoices in relation to arithmetic accuracy and shall analyse them to the appropriate expenditure heading. The Clerk shall take all steps to settle all invoices submitted, and which are in order, at the next available Charity Meeting.
- 6.4 If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of Charity, where the RFO certify that there is no dispute or other reason to delay payment, the Clerk may (notwithstanding paragraph 6.3) take all steps necessary to settle such invoices provided that a list of such payments shall be submitted to the next appropriate Meeting of Charity.
- 6.5 The RFO may provide petty cash for the purpose of defraying operational and other expenses up to a limit of £50 per purchase. Vouchers for payments made shall be forwarded to the RFO with a claim for reimbursement: -
- The RFO shall maintain as petty cash float a maximum £250 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept in substantiate the payment.
 - Income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.
 - Payments to maintain the petty cash float shall be shown separately on the schedule of payments presented to Charity under 5.2 above.

7. PAYMENT OF SALARIES

- 7.1 The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salaries shall be as agreed by Charity.
- 7.2 Payment of salaries and payment of deductions from salary such as may be made for tax, national insurance and pension contributions, may be made in accordance with payroll records and on the appropriate dates, provided that each payment is reported to and ratified by the next available Charity Meeting.

8. LOANS AND INVESTMENTS

- 8.1 All loans and investments shall be negotiated in the name of the Charity and shall be for a set period in accordance with Charity policy.
- 8.2 All investments of money under the control of the Charity shall be in the name of the Charity.

- 8.3 All borrowings shall be effected in the name of the Charity, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Charity as to terms and purpose.
- 8.4 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

9. INCOME

- 9.1 The collection of all sums due to the Charity shall be the responsibility of and under the supervision of the RFO.
- 9.2 Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the Charity, notified to the RFO and the RFO shall be responsible for the collection of all accounts due to the Charity.
- 9.3 The Charity will review all fees and charges annually, following a report of the Clerk.
- 9.4 Any sums found to be irrecoverable and any bad debts shall be reported to the Charity and shall be written off in the year.
- 9.5 All sums received on behalf of the Charity shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the Charity's bankers with such frequency as the RFO considers necessary.
- 9.6 The origin of each receipt shall be entered on the paying-in slip.
- 9.7 The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.
- 9.8 Where any significant sums of cash are regularly received by the Charity, the RFO shall take such steps as are agreed by the Charity to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.

10. ORDERS FOR WORK, GOODS AND SERVICES

- 10.1 An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.
- 10.2 Order books shall be controlled by the RFO.
- 10.3 All members and Officers are responsible for obtaining value for money at all times. An officer issuing an official order is to ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from

appropriate suppliers, subject to any de minimis provisions in Regulation 11 below.

- 10.4 The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the Minutes can record the power being used.

11. CONTRACTS

- 11.1 Procedures as to contracts are laid down as follows: -

- (a) Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in emergency provided that these regulations shall not apply to contracts which relate to items (i) to (vi) below: -
- (i) for the supply of gas, electricity, water, sewerage and telephone services;
 - (ii) for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
 - (iii) for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
 - (iv) for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Charity;
 - (v) for additional audit work of the external Auditor up to an estimated value of £250 (in excess of this the Clerk and RFO shall act after consultation with the Chairman and Vice Chairman of the Charity);
 - (vi) for goods or materials proposed to be purchased which are proprietary articles and/or are only sold at a fixed price.
- (b) Where it is intended to enter into a contract exceeding £10,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are expected as set out in paragraph (a) the Clerk shall invite tenders from at least three firms.
- (c) When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the Charity.
- (d) Such invitation to tender shall state the general nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary

course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.

- (e) All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one member of Charity.
- (f) If less than three tenders are received for contracts above £10,000 or if all tenders are identical the Charity may make such arrangements as it thinks fit for procuring the goods or materials or executing the works.
- (g) Any invitation to tender issued under the regulation shall contain a statement to the effect of Standing Order 21.
- (h) When it is to enter into a contract less than £10,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk or RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £10,000 and above £1,000 the Clerk or RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10 (3) above shall apply.
- (i) The Charity shall not be obliged to accept the lowest or any tender, quote or estimate.

12. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS

- 12.1 Payments on account of the contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).
- 12.2 Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments. In any case where it is estimated that the total cost of work carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more a report shall be submitted to the Charity.
- 12.3 Any variation to a contract or addition to or omission from a contract must be approved by the Charity and Clerk to the Contractor in writing, the Charity being informed where the final cost is likely to exceed the financial provision.

13. STORES AND EQUIPMENT

- 13.1 The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.
- 13.2 Delivery Notes shall be obtained in respect of all goods received into the store otherwise delivered and goods must be checked as to order and quality at the time of delivery is made.

- 13.3 Stocks shall be kept at the minimum levels consistent with operational requirements.
- 13.4 The RFO shall be responsible for periodic checks of stocks and stores at least annually.

14. PROPERTIES AND ESTATES

- 14.1 The Clerk shall make appropriate arrangements for the custody of all title deeds of properties owned by the Charity. The RFO shall ensure a record is maintained of all properties owned by the Charity, recording the location, extent, plan, reference, purchase details, nature of interest, tenancies granted, rents payable and purpose for which held.
- 14.2 No property shall be sold, leased or otherwise disposed of without the authority of the Charity, together with any other consents required by the law, save where the estimated value of any one item of tangible movable property does not exceed £50.

15. INSURANCE

- 15.1 Following an annual risk assessment, the RFO shall effect all insurances and negotiate all claims on the Charity's insurers.
- 15.2 The RFO shall make note of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 15.3 The RFO shall keep a record of all insurances effected by the Charity and the property and risks covered thereby and annually review it.
- 15.4 The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim, and shall report these to Charity at the next available meeting.
- 15.5 All appropriate employees of the Charity shall be included in a suitable fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the Charity.

16. RISK MANGEMENT

- 16.1 The Clerk/RFO shall prepare and promote risk management policy statements in respect of all activities of the Charity.
- 16.2 When considering any new activity the Clerk/RFO shall prepare a draft Risk Management policy for the activity and shall bring a draft addressing the legal and financial liabilities and Risk Management issues that arise to Charity for consideration and, if thought appropriate, adoption.

17. REVISION OF FINANCIAL REGULATIONS

- 17.1 It shall be the duty of the Charity to review the Financial Regulations of the Charity from time to time.