

# British Universities Life Saving Clubs' Association

Financial Policy and Procedures - Version 1.0

18<sup>th</sup> September 2008  
British Universities Life Saving Clubs' Association  
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## 1. Financial Policy

The BULSCA Committee as defined within the BULSCA Constitution is responsible for:

- Safeguarding the assets of BULSCA;
- Preventing fraud;
- Avoiding mistakes;
- Keeping financial records in accordance with the BULSCA Constitution and any relevant legislation (e.g. Charities Act);
- Preparing accounts in accordance with the BULSCA Constitution and any relevant legislation.

In order for the BULSCA Committee to meet these responsibilities, the Financial Procedures detailed below must be followed at all times by all BULSCA Committee members and anyone acting on behalf of BULSCA.

A copy of this financial policy and procedures will be provided to all BULSCA Committee members on their election to the Committee and to all persons appointed by BULSCA to undertake work on its' behalf.

This policy and the procedures defined within this document shall be reviewed annually by the BULSCA Committee and revised as necessary.

## 2. Financial Procedures

### 2.1 Organisational Procedures

- 2.1.1 The Financial Year runs from 6<sup>th</sup> April to 5<sup>th</sup> April each year.
- 2.1.2 A community business current account is held in the name of BULSCA with National Westminster Bank PLC (NatWest). The registered address of NatWest is 135 Bishopsgate, London, EC2M 3UR. This account is used for all deposits and withdrawals.
- 2.1.3 A business account is held with PayPal (Europe) S.à r.l & Cie, S.C.A ("PayPal Europe") for the purpose of receiving money only. The registered address of PayPal Europe is: 5<sup>th</sup> Floor, 22-24 Boulevard Royal, L-2449, Luxembourg.

### 2.2 Bank Account

- 2.2.1 All bank accounts must be in the name of "British Universities Life Saving Clubs' Association" or "BULSCA".
- 2.2.2 No account may ever be opened in the name of any individual or individuals.
- 2.2.3 New accounts may only be opened by a decision of the BULSCA Committee, which must be minuted.
- 2.2.4 Any changes to the bank mandate may only be made by a decision of the BULSCA Committee, which must be minuted.
- 2.2.5 All income and expenditure must be transacted through the current account. All money received through PayPal must, at the end of the financial year, be transferred into the current account.
- 2.2.6 All cheques must be signed by two signatories.
- 2.2.7 A bank reconciliation of both accounts must be carried out monthly.



- 2.2.8 The Chair, Treasurer and Secretary will have full access and control over the PayPal Europe account, with all withdrawals being approved by 2 signatories with appropriate documentation.

### **2.3 Invoicing and credit**

- 2.3.1 The Treasurer is responsible for issuing invoices and credit notes.
- 2.3.2 VAT must be included where necessary and documented correctly.
- 2.3.3 The Treasurer will investigate any unpaid invoices that have not been paid within 30 days of the date of issue of the invoice.
- 2.3.4 The payment terms on all invoices will be 30 days from the date of creation of the invoice. This may be extended by the Treasurer with applications for extension being submitted by letter or e-mail to the Treasurer and Secretary.

### **2.4 Income**

- 2.4.1 All incoming post shall be opened at the earliest opportunity.
- 2.4.2 All incoming cheques shall be recorded immediately. Any cheques shall be passed to the Treasurer or an appointed person, if the Treasurer is not the original receiver of the cheque.
- 2.4.3 All incoming cash shall be recorded immediately and where possible in the presence of two BULSCA Committee Members.
- 2.4.4 Cash payments must not be sent through the standard post and must either be given to a BULSCA Committee member or an appointed person in person, or sent to the Treasurer or appointed person by registered mail.
- 2.4.5 All incoming receipts (cash and cheques) should be banked regularly and as soon as practically possible – at least weekly. The frequency of banking of receipts will depend on the amount received. All receipts, where possible, shall be locked away if they cannot be banked on the day of receipt.
- 2.4.6 All incoming money should be banked in gross and no amounts held back for “feeding” petty cash i.e. money received cannot be added to the petty cash and so petty cash will decrease in size until “topped up” at the bank. This will ensure proper tracing of all receipts to BULSCA.
- 2.4.7 No individual shall use their personal bank account to manage BULSCA’s finances i.e. money must not be paid into an individual’s bank account on behalf of BULSCA.
- 2.4.8 All events that are run by BULSCA or are BULSCA affiliated, will only confirm the place of a payee, at the event, on receipt of payment.
- 2.4.9 The organisers of all BULSCA affiliated events ran on behalf of BULSCA or under the BULSCA name, including the BULSCA league, will provide a copy of the event accounts only on request by the BULSCA Committee for a specific reason.

### **2.5 Orders**

- 2.5.1 All orders for items or services must be agreed by the BULSCA Committee, which will take into account the overall financial position and the cash-flow situation.
- 2.5.2 The quality and quantity of any goods or services received must be inspected and checked, in order to ensure they correspond with orders placed and those invoiced for.
- 2.5.3 The Treasurer shall keep all documentation relating to the raising of a Purchase Order or direct purchase from a supplier.



- 2.5.4 All delivery notes shall be passed to the Treasurer. The Treasurer or appointed person is responsible for dealing with suppliers, in connection with the non-arrival of orders and the supply of damaged or unsatisfactory goods.
- 2.5.5 The Treasurer or appointed person must check invoices against orders made and delivery notes before making payments. Payments may only be made against original invoices.

## **2.6 Payments**

- 2.6.1 All expenditure should be properly authorised with all supporting documentation being kept by the Treasurer and being made available when requested by any member of the BULSCA Committee.
- 2.6.2 A BULSCA financial claim form shall be used by anyone wishing to claim expenses back when acting on behalf of BULSCA. The supporting documentation shall be attached to the claim form (e.g. invoices, receipts, etc). The completion of a claim form does not automatically mean that the request will be approved.
- 2.6.3 All financial claim forms must be sent to the Treasurer by mail or via e-mail or given to the Treasurer in person.
- 2.6.4 Instruments of payment such as cheque book and bank mandate forms will be kept safely by the Treasurer with access limited to the signatories of the account.
- 2.6.5 The Chair, Treasurer and Secretary are the only BULSCA Committee members approved to sign cheques or bank mandates.
- 2.6.6 Every payment for goods and services must be in accordance with the budget agreed by the BULSCA Committee.

## **2.7 Payments by cheque**

- 2.7.1 Two unrelated signatories are required to sign each cheque.
- 2.7.2 The three signatories identified in point 2.6.3 may sign a cheque with any value i.e. there is no monetary limit on any signatories.
- 2.7.3 No cheque must be signed without documentation to support the payment.
- 2.7.4 The signatories are responsible for examining the payment documentation (e.g. purchase orders, etc) prior to signing the cheque.
- 2.7.5 Blank cheques, where practical, must never be signed by any signatory.
- 2.7.6 The signatories are responsible for examining any cheque for accuracy and completeness.
- 2.7.7 The cheque book will be kept by the Treasurer and distributed to any signatories as required to conform to point 2.2.8.
- 2.7.8 No signatory must sign a cheque payable to themselves.
- 2.7.9 Cheque stubs must be completed at the time of payment.
- 2.7.10 All cheque expenditures are to be recorded and referenced to the cheque number, with the nature of the payment and the payee clearly identified.

## **2.8 Standing Orders**

- 2.8.1 The rules as specified for payment by cheque in section 2.7, also apply for standing orders.
- 2.8.2 When setting up or amending a standing order by post, the bank's standing order form must be signed by two unrelated signatories and a copy kept on file.



## **2.9 Petty cash**

- 2.9.1 Every effort will be made to reduce the need for cash payments to an absolute minimum.
- 2.9.2 Cash payments for small expenses, such as travel costs for committee members, are to be made from a cash float of a fixed amount, £ 50.00 which is regularly replenished from the bank account and not by the retention of incoming money.
- 2.9.3 Expenses above £ 50.00 must be paid by cheque.
- 2.9.4 Payments are recorded on a petty cash slip and are kept along with documentation supporting the expenditure – this will include a BULSCA Financial Claim form.
- 2.9.5 The petty cash slip must be signed by the claimant and by the person responsible for petty cash.
- 2.9.6 All claims for replenishment of the cash float should be backed up by supporting documentation and signed by the person responsible for petty cash.
- 2.9.7 The petty cash tin shall be kept locked and where possible locked away in a secure cupboard or drawer.
- 2.9.8 Petty cash records shall be entered weekly into the accounts.
- 2.9.9 Regular spot checks of the cash-float shall be made regularly by any member of the BULSCA Committee and BULSCA General Committee excluding the person currently holding the cash-float. This shall include counting the cash on hand and verifying this with the petty cash records and supporting documentation.
- 2.9.10 The Treasurer or an approved person shall keep the cash-float.

## **2.10 Budgets**

- 2.10.1 The BULSCA Committee is responsible for setting a realistic budget for BULSCA.
- 2.10.2 The budget must be checked on a monthly basis to establish the current financial position of BULSCA.
- 2.10.3 The budget must be amended in light of any subsequent additional income received or expenditure agreed.
- 2.10.4 The Treasurer will maintain the budget and ensure that all BULSCA Committee members have a copy.
- 2.10.5 The approval of budgets and accounts will be done after discussion by the BULSCA Committee and decisions fully minuted.

## **2.11 Reports**

- 2.11.1 The Treasurer must produce a report at the end of each quarter detailing income and expenditure to date.
- 2.11.2 The BULSCA Committee must scrutinise the quarterly report, checking for accuracy, including occasional checks of the transaction records against primary documents.
- 2.11.3 The Treasurer must produce an end of year set of accounts, which must be approved by the BULSCA Committee before the BULSCA AGM.
- 2.11.4 If BULSCA's annual income and expenditure exceeds £ 10,000, an Independent Examiner must sign and check the receipt and payment account and produced an Independent Examiners report.
- 2.11.5 All financial reports must be published to the BULSCA Membership, 3 weeks after the end of the quarter.



2.11.6 The dates for each quarter and the date of publication for the accounts of each quarter are detailed below:

1 <sup>st</sup> Quarter:	1 <sup>st</sup> April – 30 <sup>th</sup> June	Published:	21 <sup>st</sup> July
2 <sup>nd</sup> Quarter:	1 <sup>st</sup> July – 30 <sup>th</sup> September	Published:	21 <sup>st</sup> October
3 <sup>rd</sup> Quarter:	1 <sup>st</sup> October – 31 <sup>st</sup> December	Published:	21 <sup>st</sup> January
4 <sup>th</sup> Quarter:	1 <sup>st</sup> January – 31 <sup>st</sup> March	Published:	21 <sup>st</sup> April

2.11.7 The Treasurer shall keep all financial documentation and will retain the following documents for the specified retention period and then destroyed:

Document	Retention Period
Bank Counterfoils Bank Statements Remittance Advices Bank Reconciliations Cheque Payments Purchase Ledger Invoices	6 years
Written Financial Agreements	6 years after date of expiry
Petty Cash Records	7 years
Sales Ledger Receipts Cash Book	10 years

These retention periods comply with Statute of Limitations, the Charities Act and Company Acts as at the time of publication of this policy. The retention period must be reviewed annually and updated as necessary.

## 2.12 Assets

- 2.12.1 A list of BULSCA's fixed assets should be held and updated regularly by the BULSCA Committee. This will include all assets donated to BULSCA.
- 2.12.2 All fixed assets shall be checked at regular intervals to ensure they remain in good repair and are of use to BULSCA.
- 2.12.3 The BULSCA Committee should give due consideration to the need for insuring any fixed asset and to the extent of cover required.
- 2.12.4 The use of fixed assets shall be reviewed annually to ensure they are put to best use and serve the interests of BULSCA.
- 2.12.5 BULSCA will not make any investments in stocks, shares, land, buildings, etc. This position shall be reviewed annually and any changes require the consent of the BULSCA Committee and BULSCA member's at a General Meeting (GM) or Annual General Meeting (AGM).
- 2.12.6 A record of all bank deposits shall be held in a safe place.



- 2.12.7 The BULSCA Committee shall ensure that the Treasurer, or an appointed person, conducts regular bank reconciliations. Any discrepancy should be fully explored and resolved.
- 2.12.8 Any account in the name of BULSCA shall not be allowed to remain dormant.
- 2.12.9 All bank statements shall be sent to the Treasurer and be made available for inspection by any member of the BULSCA Committee.

### **2.13 BULSCA Committee Travel Expenses**

- 2.13.1 Members of the BULSCA Committee (not the BULSCA General Committee) have the right to claim up to £30.00 worth of travel expenses when travelling on official BULSCA business. Claiming for travelling expenses higher than £30.00 must be approved by a majority vote of the BULSCA Committee and must be official BULSCA business.
- 2.13.2 Any BULSCA Committee member requesting refund for part or all of their travel costs up to £30.00 must complete a financial claim form and attach relevant receipts/documentation to satisfy the BULSCA Financial Policy and Procedures.
- 2.13.3 Payments may either be in the form of a cheque or taken from the petty cash.
- 2.13.4 Official BULSCA business is defined as travel to/from BULSCA Committee Meetings, representing BULSCA to an external organisation or visiting a university on BULSCA business. Any other reason will be discussed by the BULSCA Committee and a majority vote required to approve any other reason.



This Financial Policy and the Financial Procedures detailed above were agreed and minuted at a meeting of the BULSCA Membership on ...../...../2008:

Signed on the behalf of BULSCA Committee:

Position	Name	Signature
Chair	Dominic M V Robertson	
Secretary	Steve Tedds	
Treasurer	Alan Sutherland	

Signed on behalf of the BULSCA General Committee:

Club	Name	Signature



## **Amendment to the BULSCA Financial Policy and Procedures**

Due to the introduction of the BULSCA Financial Policy and Procedures after the start of the Financial Year and with the previous Financial Year ending on 20<sup>th</sup> June 2008, this amendment shall modify the reporting procedures for the 2008/2009 Financial Year.

Point 2.11.6 shall be amended to read:

2.11.6 The dates for each quarter and the date of publication for the accounts of each quarter are detailed below:

1 <sup>st</sup> Quarter:	21 <sup>st</sup> June – 20 <sup>th</sup> September	Published:	1 <sup>st</sup> October
2 <sup>nd</sup> Quarter:	21 <sup>st</sup> September – 20 <sup>th</sup> December	Published:	1 <sup>st</sup> January
3 <sup>rd</sup> Quarter:	21 <sup>st</sup> December – 20 <sup>th</sup> February	Published:	1 <sup>st</sup> March
4 <sup>th</sup> Quarter:	21 <sup>st</sup> February – 31 <sup>st</sup> March	Published:	21 <sup>st</sup> April

This amendment shall be included with the BULSCA Financial Policy and Procedures document for the Financial Year running from 21<sup>st</sup> June 2008 until 31<sup>st</sup> March 2009. At the start of the new Financial Year on 1<sup>st</sup> April 2009, this amendment shall be removed from the BULSCA Financial Policy and Procedures document, automatically.