

Internal Financial Controls Policy

Jellytots Playgroup understands that financial controls are needed to protect the assets of the charity, enable informed decisions, and meet legal duties.

GDPR requirements are covered by our Personal Data Protection Policy, and any serious breach would be reported to the Information Commissioner's Office.

Our controls follow the requirements laid out in our governing document: Pre-school Learning Alliance Model Pre-school Constitution 2011.

All trustees have access to clear, accurate and up-to-date financial information. They are given regular financial reports and reconciliations by the Administrator.

Any changes in funding income are discussed at Committee to assess the impact on the Playgroup.

All trustees can request to inspect the financial records at any time with no notice required.

Annual accounts and an Annual Report are prepared, and are passed by the Trustees and Committee prior to being submitted to the Charity Commission.

The annual accounts and report are available for inspection at the AGM.

The annual accounts are externally audited.

Any serious financial incidents would be reported to the appropriate body (Action Fraud, HMRC, Financial Conduct Authority, ICO) and also the Charity Commission.

Banking

The bank is authorised by the Prudential Regulation Authority and protected by the Financial Services Compensation Scheme to £85,000.

Trustees have full access to the online banking accounts of the playgroup.

Former trustee access is removed promptly.

All accounts are in the name of the playgroup.

The accounts are for the sole use of the playgroup.

A monthly bank reconciliation is provided for the Chair and the playgroup.

Full details are kept of all transactions.

Statements are kept with the accounting records.

Banking devices have up-to-date anti-virus software.

Passwords and PINs are kept secure.

Cash

Cash received on the premises is recorded by staff before being passed to the Administrator.

Cash is recorded in the accounts and banked promptly.

Cash is banked gross.

Unbanked cash is stored securely.

Cash is covered by the playgroup's insurance policy.

Cash payments are small and made from petty cash.

Detailed records are kept.

Petty cash is regularly reconciled to the accounts.

Cheques

Cheques are recorded and banked promptly.

Chequebooks and unbanked cheques are stored securely.

Two signatures are required on cheques: from the Administrator, Chair and Treasurer.

Fundraising

Funds raised are banked gross, and as soon as possible.

Records are kept of each fundraising event.

The Manager and Committee are informed how much was collected and the costs incurred.

Expenditure

The playgroup:

Only buys things it needs and within budget.

Only pays for goods and services it receives, and at the agreed prices.

Invoices are checked against orders.

Invoices are paid on time.

Gets good value for money.

Spending on large items requested by the manager is approved by the Administrator and Chair.

Debit Card

The debit card is held securely by the Administrator and only issued to be used in specific circumstances.

Receipts are required for all payments.

The card is returned promptly after use.

Receipts are checked against the account statements.

The card would be destroyed if any breach of security was detected or suspected.

BACS Payments

All BACS payments require 2-factor authentication.
Where possible, BACS payments are not set to same-day payment.

Expenses

Receipts are required for an expenses claim.
The claim is checked for accuracy by someone other than the claimant.
Expenses are paid from petty cash for small amounts, otherwise by BACS.

Wages and Salaries

Full HMRC records are maintained, with required deductions made and paid to HMRC.
Deadlines for year-end returns are met, including the issuing of P60s.
The law on minimum wages is followed.
Future pay rises are discussed at Committee following a budget report from the Administrator.
All legal obligations relating to pensions are met, and pension contributions are paid promptly.
Only authorised or required deductions are made from pay.
Each employee has a proper contract of employment.
Wages and salaries are paid securely by BACS.

Assets

A priced inventory is kept of all the equipment owned by the playgroup.
Equipment is regularly checked to ensure it is safe and in good repair.
Adequate insurance cover is held for all assets.

Approved by the Committee 13th March 2024