

Cash Handling Policy

Scope

This policy defines the procedures for the handling of cash received and the control of cash payments. It does not apply to the payment of expenses which is addressed in FIN113 or the cash handling procedure used in the Restore furniture warehouse which is defined in WHP901. This procedure fulfils the requirements of FIN102 and FIN104. This policy incorporates the principles contained in the current Cash Handling Policy which will become obsolete.

Receipt of Money

A) Handling Cash Donations in the Office

Cash/cheque donations and vouchers/cards for Food Bank received in the Acts office must be handled by the following practices:

- Before being processed, cash (including cheques/ stewardship/ CAF vouchers etc) must be stored in a lockable storage area*
- Cash must be counted by at least two people
- Once counted, cash must be bagged in correct quantities in money bags with a written note of the breakdown and source of the money
- Money bags must be handed in to the finance office as soon as able
- Money is then handed to the Finance Officer as soon as able, for banking. If the finance officer is unavailable the money should be left in the safe in the finance office.

*Any quantities over £100 must go into the safe, in the finance office

B) Income from public collections and fundraising events

The following internal financial controls will be used:

- at least two people to be involved in handling and recording the money received
- collection boxes to be individually numbered and their issue and return is recorded
- all collecting boxes are sealed before use so that it is apparent if they have been opened
- before they are returned
- all collection boxes to be regularly opened and the contents counted
- cash collected will be banked by the charity as soon as possible without deduction of expenses.

Note: If Acts Trust changes the policy and uses public collectors the requirements of FIN104 must be followed.

For fundraising and sponsored events the following controls will be used:

Issued: 23/08/2016

Review: 23/08/2017

Approved: Acts Chair of Board of Directors

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- records will be maintained for each fundraising event, in sufficient detail to identify gross receipts or takings and costs incurred
- for all events for which there is ticket income or gate money:
 - (i) all tickets will be pre-numbered
 - (ii) a record will be kept of all persons who have been issued with tickets to sell, and the ticket numbers that have been allocated to each person
 - (iii) a record will be kept of which tickets have been sold
 - (iv) all money from tickets and any unsold tickets will be collected
 - (v) a reconciliation will be made of receipts against tickets sold

C) Money from fees/subs

Some projects use cash to pay for expenses, or collect cash from subs/fees, or a mixture of the two. The following practises must be followed:

- Money from fees/subs must always be kept separate from, and not used for project expenses
- Money from fees/subs must be counted and recorded at the end of each session. At least two project workers must be present when money is counted
- Money from fees/subs must be handed in to the Finance Office as soon as able

Controls over payments in cash

It is Acts Trust policy to keep cash payments to a minimum as this method of payment carries the greatest risk.

A) Petty Cash and Advanced Cash

The controls in section A above for petty cash plus the following:

- Petty cash and advanced cash requests must only be made to the Senior Manager or the Chair of Acts
- cash payments should be for small amounts only
- cash should be paid out of a petty cash float specifically kept for such payments or by way of direct withdrawal from the bank account (a 'Cash Advance'), and not from incoming cash
- balance of petty/advanced cash in hand, and the records, should be kept securely in a lockable cash tin.
- details of payments should be entered on a 'Petty Cash Form' and brought back to the office

Issued: 23/08/2016

Review: 23/08/2017

Approved: Acts Chair of Board of Directors

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- supporting documentation for the cash payment must be authorised by someone other than the person who maintains the petty cash or the person making the payment
- The 'Petty Cash Form', along with receipt and any change must be given to the Administrator immediately to be returned to the Petty Cash tin
- In the absence of the Acts Chair or Senior Manager, these items must be stored in a lockable storage area until either has returned
- regular spot checks of the petty cash float should be made by an authorised person independent of the person who maintains the petty cash..
- Advanced Cash Forms should be returned to the Finance office ensuring that all receipts are attached and the value of the receipts and remaining balance equal to the amount advanced.

B) Cash preloaded cards

Similar considerations apply to the use of cards which are preloaded with cash where cash withdrawals are made by using a PIN at a cash point or similar facility.

Cash withdrawals should be reviewed for authorisation and correctness by someone other than the person who withdrew the cash.

Receipts must be kept for all purchases and attached to a 'Petty Cash Form' on return to the office

References

WHP901 Restore Furniture Cash/Money Handling Policy

FIN113 Payment of expenses.

FIN104 Internal Control of Income

FIN102 Control of Purchases, Payments and Loans

Issued: 23/08/2016

Review: 23/08/2017

Approved: Acts Chair of Board of Directors

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