***Amend as required to suit your specific needs***

* *Change the logo in the Header to your own*
* *Use the select all then replace all to amend the document for your NGB/Organisation*
* *If your NGB is an unincorporated organisation i.e. not a Company replace all reference to the Board of Directors with the name of your NGB governing committee e.g. Executive or Management Group*
* *If your NGB is a charity your governing group may be the Trustees or similar*
* *Replace text in* Blue *with the position or name of person specific to your organisation*

**Cash and Banking Procedure**

Receipt of Cheques

Mail is opened and distributed to the relevant person by the (responsible person).

Cheques received are recorded by (responsible person) in the Register of Cheques.

The (responsible person) will review cheques received and sign the Register of Cheques as a true and accurate record.

The (responsible person *for segregation purposes this should be by someone other than that opening the post*) has responsibility for reconciling the cheque Register against records of receipts paid into the bank.

The (responsible person) will prepare a journal import for all cheque receipts to be entered into the financial system. The relevant reference number for the transaction is then recorded in the register (as a cross reference).

Receipt /Takings

Takings of cash and cheques received should be recorded onto remittance sheets by (responsible person).

Supporting schedules detailing the receipt of funds should be filed with the remittance sheet.

Funds received should be banked intact. Payment of expenses should not be made from funds received.

Unbanked funds should be held in a secure place (safe/locked cabinet).

Banking

The (responsible person) has responsibility for preparing cash and cheques for banking.

Cash ready for banking should be held securely in the safe at all times.

Cash is banked on a regular basis (weekly) or more frequently if significant funds are being held.

Bank Reconciliations

The (responsible person) has responsibility for reconciling all bank accounts held in the financial system to bank statements (either electronic or hard copy) on a monthly basis.

The Chief Executive/Finance Director (*amend as necessary) has* responsibility for reviewing bank account reconciliations on a monthly basis and signing off as evidence of review.

Any items appearing on the bank statements which cannot be recognised must be immediately investigated with the bank.

The (responsible person) should investigate any cheque payments which have not been cleared by the bank within the six month limitation time of issue. Such cheques should either be reissued to the payee or cancelled with the bank and the financial system.

Any cheque deposits returned to (name of NGB) “return to drawer” must be notified to the budget holder immediately.

Petty Cash

The amount of the petty cash float shall be as determined by the Chief Executive Officer from time to time, but in general should not exceed £XXX. Any amount over the £XXX limit shall be paid into the bank account.

Petty cash floats are held by the (responsible person) for the purposes of small disbursements.

The (responsible person) shall ensure that petty cash is used only to cover those expenses for which it is not feasible, or for which it is unreasonable to use normal purchasing methods.

The petty cash holder is accountable for the petty cash held. In the event of their absence a full cash count and formal handover to the new holder must be undertaken.

Petty cash must be held in a secure place when not in use.

Purchases from petty cash will be restricted to goods or services that are required at short notice.

Money taken from petty cash must be signed for by the person receiving the cash and authorised in accordance with the limits set within the Financial Delegations of Authority.**\***

Where possible, VAT receipts must be obtained for all purchases (delete if not registered for VAT)

Replenishment of petty cash will operate via an imprest system.

Petty cash floats must be properly controlled and accounted for at all times. The amount allocated must be reconciled in cash held or valid receipts. Petty cash may be subject to audit inspection and unannounced spot checks by (responsible person).

Petty cash is reconciled frequently (monthly or at time of request for imprest).

Authority to Sign Cheques/online Authorisation

All online or cheque payments must be signed and authorised by two designated signatories (one of which should be the Chief Executive Officer/Finance Director, *amend as necessary*)

Designated signatories are Chief Executive Officer, Finance Director or other staff members/volunteers who have been nominated and endorsed by the Board.

Signatories cannot sign cheques made payable to themselves, or a blank cheque.

All details on the cheque must be completed before the cheque is signed.

Cheques and online payments should be accompanied by supporting documentation, which should be reviewed and validated by the designated signatory before the cheque/online payment is authorised.

1. **Relationship to Other Procedures.**
   1. The Cash and Banking Procedure will be implemented in conjunction with the other governance and financial policies and procedures of (name of NGB), *(amend as necessary):*

* Purchasing Procedure **\***
* Credit Card Procedure **\***
* Financial Delegations of Authority**\***

1. **Review of Procedure**
   1. This procedure will be reviewed in outline by the Chief Executive Officer/ Finance Director (*amend as necessary)* and will be reviewed in detail every two years or more frequently if appropriate due to changes in circumstances. Changes to the procedure will be recommended by the Finance Committee (*amend as necessary)* to the Board)

**\*Example templates can be found on WSA website**

*Issue date and recipients:*

*Review date: at least every 2 years or when any changes occur*

*Version:*

*Responsible:*