



## Alehm LEHP Financial Controls

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### Accounting requirements

- a) The financial year shall be from 1<sup>st</sup> April to 31<sup>st</sup> March unless changed by resolution of the executive. The Executive agreed to change the financial year date from 1<sup>st</sup> January to 31<sup>st</sup> December at their meeting on the 18<sup>th</sup> November 2015 and recorded in the minutes.
- b) A financial report in the format agreed by the executive shall be produced and presented quarterly to an executive meeting.
- c) An annual accounts report shall be prepared in the format required by the Charity Commission and/or Companies House.
- d) The annual accounts shall be audited or subject to independent review before submission to the Charity Commission and/or Companies House.
- e) The executive will appoint a book keeper to independently record all expenditure and income and reconcile accounts with the bank account.
- f)

### The charity's organisational structure

From 1<sup>st</sup> April 2018, the charity established formal employment contracts for the permanent and temporary employees.

Employees contracted by Alehm consist of the following:

- a) ~~has no employees~~A coordinator responsible for the. Administrative and strategic support for the organization. is provided by a consultant They who provides secretarial and coordination support to LEHP and Alehm and are contracted to work up to 80 hours a month.
- b) A trustee project manager who carries out the work of the coordinator, in their absence, as well as managing any externally funded projects for Alehm and supporting the technical groups. Contracted hours 35 hours a month plus any additionally funded hours from external projects
- c) A support officer who supports the technical training placements for students, supports the technical groups and arranges the training courses for members. Contracted on a 12 month contract until December 2018 at 35 hours a week.
- d) ~~Another~~ consultant provides administrative support for Alehm's activities, including managing subscriptions, booking training courses and student training activities.
- e) Alehm has a number of technical groups that support members' activities. These groups meet regularly and hold minuted meetings. ~~Minute takers service these meetings and are paid on a fixed fee basis.~~Alehms officers attend the meetings, provide technical and administrative support and allocate students to keep minutes and undertake projects to gain experience in a range of areas.
- f) Alehm will appoint additional financial businesses as directed by the Executive to undertake book keeping and accountancy, as considered necessary.

### **Trustees' liabilities**

As contained in the Memorandum of Association and Articles of Association of the London Environmental Health Practitioners.

### **Delegation of financial duties to employees or other officers of the charity**

~~The Group Chief Accountant of the CIEH~~ The Alehm secretary/coordinator shall be the officer appointed under this part of the rules

~~(type of duties covered can we use a description of duties undertaken by AG at the CIEH)~~ Duties include

- a) Managing the accounts software and ensuring all records are maintained and kept up to date.
- b) Managing salary payments and ensuring HMRC requirements are met.
- c) Producing financial reports for trustees
- d) Reconciling bank account and project accounts with main accounts
- e) Checking invoices, obtaining payment clearances and making payments
- f) Issuing invoices, chasing payments and reviewing income and expenditure
- g) Keeping appropriate records to meet Companies House, Charity Commission and any independent funders requirements
- h) Liaising and providing information as required with appointed book keeper, accountant and external auditor

- i) Filing annual reports to Companies House, Charity Commission and HMRC

**Basic internal controls**

- An accountant appointed by the executive shall advise and manage the financial arrangements.
- The executive shall approve the list of bank account signatories and the issue of debit cards to individuals.

**Alehm Debit Card, Payment, Signing and Account Reporting Rules**

**Use of debit cards**

- The debit card is to be used only for Alehm purposes;
- Where expenditure is incurred for a purpose other than for Alehm, the Chair, accountant or a member of the executive must be advised immediately and repayment arrangements agreed;
- The debit card holder is to keep a written monthly record in the form contained in appendix 1 of this protocol. The record is to include the date, description and relevant budget code for the expenditure;
- The monthly record of debit card use is to be signed off by 2 signatories before the end of the following month to which the record relates. The officers currently appointed are Steve Miller and Tay Potier

**Signing rules for payment by cheque, BACs and internet banking**

- For payment by cheque of an amount greater than £5000 two signatures are required one to be the Alehm chair;
- For payment by cheque of sums less than £5000 two signatures are required from the mandate list of signatories.

**Internet banking, BACS payment**

- The Alehm accountant/secretary/coordinator to be the only person authorised to make payments by this method;
- Authorisation for the payment of an invoice will be made by the person shall be accompanied by an email completed by 2 signatories confirming payment. ~~CIEH internal requisition form AP1 provided in appendix 2. The form AP1 shall include the date, description and relevant budget code for the expenditure;~~
- ~~The form AP1 shall be signed in accordance with the rules for cheque payment, before presentation to the Alehm accountant for payment.~~

**ALEHM/LEHP Signatories resolution**

The executive agrees that the persons listed in the following schedule are signatories for the purpose of signing cheques and other documents for the charity.

name	designation	organisation
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Andrew Gardner	Group Chief accountant	CIEH
Graham Jukes	Chief Executive of the CIEH and ALEHM/LEHP director	CIEH and ALEHM/LEHP
Steve Miller	Chair	ALEHM/LEHP
<del>Keith Hill</del> Janine Avery	Secretary	ALEHM/LEHP
Tay Potier	Trustee	ALEHM/LEHP
Paul Morse	Trustee	ALEHM/LEHP

**Auditing Of Accounts;** Hays Macintyre were appointed at the Annual General Meeting in 2017 as external auditors to undertake an independent review of the accounts and to review tax obligations and make a return to HMRC, at such times as Alehm is required to do make an HMRC return.

### **Segregation of duties.**

- 1) The Alehm coordinator is responsible for invoicing and payments, either directly or by instructing and supervising the admin support officer or appointed book keepers, maintaining accounts and records, producing financial reports and preparing the annual report
- 2) Admin officer is responsible for raising invoices and receiving payments, keeping records of all income for training courses and subscriptions, providing reports for the coordinator and chasing non-payment of invoices
- 3)
- 4)
- 5) Trustees acting as signatories will check and approve payments in accordance with financial procedures and monitor the monthly use of the Alehm debit card
- 6) Trustees will review the financial reports and monitor Alehms financial position, and agree funding streams and financial priorities. Each year they will agree the level of funding available for operational activity and any other funding for specific activity
- 7) Book keeper, where appointed, will manage payments and invoices on behalf of the coordinator and reconcile accounts with the bank account and liaise with the external auditor
- 8) Accountant, where appointed will oversee the financial activity, advise on legal obligations and liaise with the external auditor.
- 9) External auditor, appointed at the AGM will undertake statutory annual review of accounts and financial activity

### **Reserves Policy**

The executive shall ensure that the organisation maintains a financial reserve of the equivalent of one year of members subscriptions £40,000 plus £100,000, to provide sufficient funds to maintain liquidity for the operation of externally funded projects, which are often paid in arrears.

## Postal receipts

Receipts will be received and processed by the CIEH and monies credited to the Alehm/LEHP bank account

## Public collections

None at present

## Fundraising events

None at present

## The Gift Aid Scheme

None at present

## Banking and custody procedures

~~Undertaken by the CIEH in accordance with their rules and arrangements.~~Undertaken by coordinator and externally appointed book keeping company

## Checks of income records

~~Undertaken by the CIEH in accordance with their rules and arrangements.~~Undertaken by the coordinator and externally appointed book keeping company

## Controls over expenditure

Expenditure for routine areas will be approved by the executive with specific controls being identified. For large one off expenditure items specific approval will be sought from the executive.

## Payment by cheque

~~To be undertaken by the CIEH in accordance with their rules and arrangements and in accordance with the Alehm/LEHP signing policy.~~Cheque facilities are not available

## Payment by cash

It is not anticipated that payment will normally be made in this manner. Where it does prove to be necessary it will be undertaken by the CIEH coordinator in accordance with their rules and arrangements and in accordance with the Alehm/LEHP signing policy.

## Wages and salaries

~~None at present~~Wages and salaries are paid through the Xero accountancy package by the coordinator. Contracts are renewed each year, although it is

accepted that where standard hours are reduced, employment law and redundancy payments may be required  
Employment contracts specify the minimum monthly contracted hours which are paid on 15<sup>th</sup> of every month. Allowed overtime, and any additional approved overtime will be submitted to the coordinator and the chairman and once approved added to the next payment run.

### **Checks on income and expenditure records**

Regular income and expenditure reports are prepared and presented to meetings of the executive.

### **Control over assets**

A ~~manual~~ electronic record is kept of any item purchased for the use of the association.

### **Fixed assets for use by the charity**

The charity has no fixed assets.

### **Investments**

The charity has no investments other than cash kept in a deposit account held by the HSBC bank.

## **Appendix 1**

### **Debit Card Record**

date of expenditure	Code	Description	amount

		Total	
Signature _____ date _____			
Signature _____ date _____			