

## Financial Regulations

### Preliminary and definitions

1. The Honorary Treasurer and Deputy Treasurer will be responsible to the Council of CIPFA South East for the proper administration of its financial affairs.
2. For the purposes of these financial regulations, the following definitions shall apply:
  - Council - the Council of CIPFA South East that provides strategic direction for all activities of the region.
  - Treasurer - The Honorary Treasurer appointed by the Council of CIPFA South East
  - Deputy Treasurer – as appointed by the Council of CIPFA South East.
  - Officers of CIPFA South East - the President, Vice President, Secretary and Honorary Treasurer and Deputy Treasurer being in office for the time being.
  - Local Groups - a division or group set up to provide a local focus, including the London Division.
  - Sub-committee (for example Student Society) or Task Group – a group set up to deliver specific activities or services to a member group
  - Budget Holder - the person nominated by Council to manage a budget line.
  - Year - the calendar year January to December, ending on 31 December.

### Maintenance of accounts

3. An account in the name of CIPFA South East will be kept at a branch and bank nominated by the Treasurer and approved by the Council. Other bank accounts may be opened by Local Groups, but only with the authority of the Treasurer.
4. The Treasurer and Deputy Treasurer are responsible for signing all cheques. However, additional signatories to the account to provide counter-signatures or back-up when necessary are:
  - President
  - Vice-president
  - Secretary.
5. In addition, the Treasurer and Deputy Treasurer have access to the bank account via the internet with signatory limits for each will be approved by Council.
6. The Treasurer and Deputy Treasurer are responsible for maintaining all records and accounts for CIPFA South East and reporting to CIPFA as required.
7. The accounts for CIPFA South East will be produced on an income and expenditure basis as soon as possible after the end of the financial year and in-line with CIPFA reporting timescales. The draft accounts will be presented to the Honorary Auditor for audit once approved by Council.

8. A copy of the audited accounts will be presented to the Annual General Meeting for approval.

### **Balances**

9. CIPFA South East will maintain reserves to a level considered appropriate to activity.
10. London Division reserves will be separately identified and will only be available to be spent by the London Division. Any change to this provision in the Financial Regulations will need to be approved by both Council and the London Division committee.

### **Budgets**

11. Council will agree a budget on an annual basis as part of the planning cycle for the development plan. A budget is agreed for each 'activity' in the plan, with corresponding performance indicators.
12. Each line in the budget will correspond directly to the development plan activities and a named individual of Council will be nominated as the Budget Holder for each budget line.
13. Expenditure must only be incurred by the relevant Budget Holder and shall not be incurred unless there is an appropriate budget.
14. Once the budget has been agreed, the Budget Holder may authorise spend on this activity without reference to Council as long as spend is in line with the activity specified in the development plan and remains within the agreed budget amount.
15. For expenditure against the London Division budget approval is required from 2 officers: the London Division Chair AND the London Division Treasurer.
16. Where an under or overspend in budget lines is predicted, a virement may be made between the activities provided both budget holders agree, approval is given by Council, and spend remains in line with the specified activities as outlined in the Development Plan.
17. If an unfunded activity emerges during the course of the year, approval is required from Council to either make new funding available or to vire budget from another under-spent activity. Similarly, if an overspend on an existing activity cannot be funded from a virement, Council approval must be sought to increase the activity budget.
18. Where expediency is required and it is not possible to wait until the next Council meeting, Council delegates authority for activities or budget increases up to £2,000 to be approved by agreement of the President, Vice-President, Treasurer, Deputy Treasurer and Secretary. Such decisions must be retrospectively ratified by Council at their next meeting. All requests greater than £2,000 must go to full Council for consideration.
19. The London Division do not need to seek approval from Council to use their reserves for any overspend or unfunded activity. However, they must not spend more than the value of their reserves without Council approval.

20. The Treasurer will make regular reports to Council on expenditure and income against budget and projected year-end outturn.

### **Borrowing**

21. Any overdraft or borrowing facility shall be approved by the Council.

22. All borrowing shall be in the name of CIPFA South East.

23. Documents to confirm the borrowing shall be signed by the Treasurer and President.

### **Investments**

24. An investment account in the name of CIPFA South East will be kept with CCLA Investment Management Limited.

25. The Treasurer is responsible for the investment of all surplus funds and will report to each Council meeting on changes in the balances.

26. Any changes to the type of investments made, other than through the CCLA Investment Management Limited, will require the approval of Council.

27. All investments will be in the name of CIPFA South East.

28. The Treasurer can draw sums up to £5,000 from investments to manage cash-flow. Withdrawals above this sum will require the approval of one or the other Officers.

29. Additional signatories to the account to provide back-up when necessary are:

- President
- Vice-president
- Secretary
- Deputy Treasurer.

30. In addition, the Treasurer may have access to the investment account via the internet.

31. The approval of Council will be required for the writing off of any investments.

### **Income**

32. All income shall be banked in full promptly either by the Treasurer, Deputy Treasurer or, where a paying in book has been allocated by the Treasurer, by other parties.

33. All monies being banked must be accompanied by a paying-in slip detailing all remittances. The Treasurer should be informed promptly of all such amounts.

34. Income received by other officers of the Council should be passed to the Treasurer as quickly as possible.

35. Invoices and VAT receipts shall be raised promptly and in accordance with VAT regulations. Where invoices are raised by other Officers, they should be forwarded to the Treasurer for completeness purposes.
36. The Treasurer may write-off any invoices up to an individual maximum of £500 or cumulative maximum of £2,000 per annum without approval of Council. However, all write-offs should be reported to Council.

### **Expenditure**

37. Payment will only be made for purchases of goods and services on official business of CIPFA South East.
38. Payment will only be made on the production of an invoice or valid expense claim.
39. Payments up to the value of £5,000 can be signed (in the case of cheques) or authorised (in the case of on-line transactions) by a single account signatory. Payments over this value must be paid by cheque and require a counter signatory, until such time as there is the facility to undertake counter-signature online. The bank mandate and on-line instructions must be set up to ensure that this limit is enforced by the bank.
40. Claims for the payment of expenses by officers and volunteers should be made on the appropriate claim form, supported by receipts.
41. Travel costs will normally be either second class rail fares or mileage. Mileage will be paid at the rate normally reimbursed by the employer, if it is a leased car or equivalent, or at an amount determined from time to time by Council where the claimant is responsible for all the costs of the vehicle. Only actual subsistence costs will be reimbursed.
42. Payments to volunteers for services will be as agreed by Council.
43. Three written quotations shall be obtained for all supplies and services where the cost is estimated to be more than £2,000 except where Council has agreed that this is not required.

### **VAT**

44. The Treasurer and Deputy Treasurer are responsible for ensuring that VAT is properly accounted for and that a return is made quarterly to CIPFA, within the timescales specified by CIPFA.
45. All invoices, records etc must be correctly set out and meet the requirements of HMRC.

### **Insurance**

46. Insurance for the Region is covered by CIPFA. Should this cease to be the case, the Treasurer shall ensure that there is insurance cover for identifiable risks, that the necessary records are maintained and that all claims are negotiated.

47. The Treasurer shall report to Council from time to time on the insurances provided and the claims made.

### **Local Groups**

48. All Local Groups shall be required to follow these financial regulations and will be informed of any changes to them.

49. Each Local Group keeping their own accounts shall appoint a Treasurer. The Treasurer of the Local Group will be expected to comply with these regulations, maintain adequate financial records and provide un-audited accounts at the year-end in the timescales necessary for the CIPFA South East Treasurer to consolidate and report into CIPFA. Audited accounts shall be provided in time for the CSE AGM.

50. The Treasurer of the Local Groups will liaise with the Treasurer of CIPFA South East regarding any issues from these financial regulations.

51. Any changes to these financial regulations where the London Division is named requires approval from both Council and the London Division committee.