



FINANCIAL STANDING ORDERS

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Destroy All Previous Issues

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Version	Date	Author	Description of Changes
V2.2	1 June 2013	R Lennox	Company car mileage rates amended
V3.0	12 Sept 2014	R Lennox	Reviewed and updated. Mileage tables removed
V4.0	15 Jan 2016	R Lennox	Minor amendments

Approval

Version	Name	Position	Signature	Approved Date
V2.0		Executive		12 Apr 2012
V3.0		Executive		9 Oct 2014

Definitions

“**Company**” means Birmingham and District General Practitioner Emergency Room Ltd (company number 03155566) and all companies under its control.

“**Director of Finance**” means the person holding the position of Director of Finance who is an ex officio Director in accordance with article 40 of the Company.

“**Directors**” means the individuals appointed directors of the Company as provided in the articles of the Company.

“**Finance Manager**” means the person holding the position of Finance Manager who reports to the Director of Finance

“**Senior Finance Assistant**” means the person holding the position of Senior Finance Assistant who reports to the Finance Manager.

“**Signatory**” means a person named on the Relationship Authority held by the Company’s bankers.

Objective

The objective of these standing orders is to set out various standing orders in relation to the finances of the Company and to make clear various responsibilities and authorities.

1. Directors' Responsibilities

The Directors have responsibility for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company. They are responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are responsible for appointing the Company's Bankers, keeping accounts in the name of the Company and ensuring that payments from the accounts are made in such manner and by such persons as the Directors shall from time to time direct. They are required by The Companies Act 2006 to prepare and approve financial statements of the Company and its group for each financial year.

2. Budget

The Directors shall approve an annual budget including budgeted income & expenditure and a 12 month cash flow forecast no later than 31 March in each year to cover the year commencing 1 April.

3. Monthly Reporting

The Director of Finance shall prepare a monthly report covering forecast, actual and budget income & expenditure and an updated cash flow forecast together with variances between actual and budget figures and reasons for them.

4. Purchase Orders

Before any purchase is made the following procedure shall be followed:

A Purchase Order number and form is to be obtained or raised by the finance department. This must be authorised as follows:-

Orders up to £1,000 one of the following	Any Director Any Signatory
Orders between £1,001 & £10,000	Two of the above
Orders £10,001 +	Three of the above

Once an order has been placed the authorised form must be held by the finance department.

5. Purchase Order Authorisation Procedure

Before authorising a Purchase Order, the authorised individuals should satisfy themselves that:

- The expenditure is in accordance with the budget.
- The expenditure is essential to the running of the company.
- If the expenditure is over £1,000, three quotations have been obtained, or if not, valid reasons are stated in writing attached to the order documentation.

The Director of Finance may review a Purchase Order at any time and is authorised to seek reasonable clarification of budgeted items and justification for any unbudgeted expenditure.

6. Supplier Bank Account Details

Supplier bank account details must be obtained in writing from an authorised representative of the supplier. Where debts have been factored by the supplier, a letter of authority must be obtained from the supplier. Changes to supplier bank account details must be in writing and authorised by a Signatory. In no case may payments be made to any third parties, for example individual directors of limited companies.

7. Invoice Payments

All invoices must be authorised for payment as per the procedure for Purchase Orders. Purchase Order forms and supporting documentation must be attached to the invoice.

8. Cheque Payments

In accordance with the Relationship Authority held by the Company's bankers, the signing rules are as follows:

Cheques up to £1,000	One Signatory
Between £1,001 - £10,000	Two Signatories
£10,001 +	Three Signatories

9. Standing Orders and Direct Debits

Authorisation is as per Cheque Payments

10. Online Banking

Following authorisation in accordance with the Invoice Payment procedure above, payments may be made using the Online Banking System as follows:

Payments/transfers up to £1,000	One Online Banking user with authorised user role
Payments/transfers £1,001 +	Two Online Banking users with authorised user role

11. Company Credit Card

To facilitate the ordering of items online for the Company, a Company Credit Cards is held. The use of this is under the strict control of the Director of Finance. All orders placed using a Credit Card must comply with Clause 4 Purchase Orders and Clause 5 Purchase Order Authorisation Procedure above. Under the terms of an HMRC dispensation notice dated 11 July 2007, full receipts, vouchers or other supporting records are held in support of the expenditure and these are independently checked and authorised by a Signatory.

12. Employee Expenses

An expenses form must be completed (these can be obtained from the Finance Office). All receipts and supporting documentation must be attached. The form must be signed by the claimant then authorised in accordance with the Purchase Orders procedure. Once authorised these are then to be passed to the Finance Office for processing.

13. Mileage Claims

Mileage claim forms must be completed and authorised as per the Employee Expenses procedure above.

Current mileage rates are available on the Gov.uk website as follows:

Using Own Car: Search for Employee vehicles: Mileage Allowance Payments (MAPs)

Using Company Car: Search for Company cars: Advisory Fuel Rates (AFRs)

14. Petty Cash

The Senior Finance Assistant is responsible for petty cash. A float of £200 is held in the Finance Office. Normally, cash is to be issued against valid receipts, but if an advance needs to be made, a signed voucher is to be held pending receipts and change. To facilitate the withdrawal of petty cash floats from the bank, 2 Company Cash Cards are held, one by the Finance Manager and one by the Senior Finance Assistant.

15. Cheques Received

Cheques received are to be banked on a weekly basis.

16. Fixed Assets

Fixed assets with a cost of less than £100 are to be charged to the profit and loss account. Fixed assets with a cost of £100 or more are to be capitalised and depreciated in accordance with the accounting policies of the Company.

17. Accounting Policies

The accounting policies of the Company are as stated in the Notes to the latest Financial Statements filed at Companies House. Proposed changes to accounting policies shall initially be discussed by the Director of Finance and the Company's auditors before seeking approval from the Directors.