

Healthwatch Kingston Board Meeting (Part A)	Date: Wednesday 20 March 2019
Report Title: Finance Report	Author: Nigel Spalding (NS), HWK Treasurer, Trustee/Board Member
PART A Item 6	Appendices: No

FOR INFORMATION - Financial statements to 28 February 2019

FOR DISCUSSION AND/OR DECISION - Any final budget amendments (which will be presented to the meeting) and the statement on 'Financial Responsibilities and Procedures'

The Board is asked to:

- note the statements of income and expenditure to 28 February 2019
- consider and final budget amendments that will be presented to the meeting
- consider whether any changes should be made to the statement on 'Financial Responsibilities and Procedures' last reviewed and agreed in 2017.

INCOME 2018/19

	Expected Income 2018/19	Income to 28 February 2019
B/f from 2017/18 (Restricted funds)	36,514.00	36,514.00
B/F from 2017/18 (Unrestricted funds)	6,893.00	6,893.00
RB Kingston (Core Contract)	122,000.00	91,499.94
RB Kingston (LD - Extension of Contract)	25,000.00	12,500.00
Kingston and Richmond CCG (Digital Youth Project)	10,000.00	10,000.00
Kingston CCG (MHSPiG)	2,000.00	2,000.00
RB Kingston (Thrive 1 Year On Event)	300.00	300.00
Refund from Bank		87.88
TOTAL	202,707.00	159,794.82

EXPENDITURE 2018/19					
CORE BUDGET	Budget approved 27.11.18	Expenditure to 28 February 2019	Treasurer's figures		
			Pro rata to 28 February 2019 (or annual amount in italics)	Variance to 28 February 2019 (minus means underspend)	Year-end projection estimated only (or annual amount in italics)
ADMINISTRATION COSTS					
Insurance	1,750.00	1,718.99	1,718.99	-	1,718.99
Photocopier maintenance contract	2,100.00	2,096.81	1,925.00	171.81	2,287.43
Independent Examination of Accounts	600.00	600.00	600.00	-	600.00
Rent of Community Venues	2,500.00	1,339.63	2,291.67	- 952.04	1,461.41
Companies House Confirmation Statement filing	13.00	-	13.00	- 13.00	13.00
Legal and professional fees	500.00	98.08	458.33	- 360.25	107.00
Other Equipment	1,700.00	1,723.98	1,558.33	165.65	1,880.71
Renewal of registration with ICO	40.00	40.00	40.00	-	40.00
COMMUNICATION COSTS					
Printing	750.00	-	458.33	- 458.33	-
Marketing/Promotion	750.00	69.23	687.50	- 618.27	75.52
STAFF COSTS					
Salaries, including Employer's NI and pension	95,000.00	80,233.64	87,083.33	- 6,849.69	89,066.03
Additional staffing/staffing costs	-	-	-	-	-
Staff recruitment	1,200.00	594.00	1,100.00	- 506.00	594.00
DBS checks for employees	300.00	120.40	275.00	- 154.60	120.40
Staff training and attendance at conferences/workshops	2,000.00	947.68	1,833.33	- 885.65	1,033.83
Payroll service	1,000.00	491.52	916.67	- 425.15	536.20
EXPENSES					
Staff travel	500.00	277.82	458.33	- 180.51	303.08
Volunteer expenses	300.00	17.00	275.00	- 258.00	18.55
Voucher incentives	1,000.00	-	916.67	- 916.67	-
Administration charges for volunteer DBS checks	100.00	72.00	91.67	- 19.67	72.00
Training for Trustees	500.00	30.00	458.33	- 428.33	32.73

OVERHEADS					
Office Rental	7,200.00	6,600.00	6,600.00	-	7,200.00
Telephone/Internet	1,500.00	1,347.04	1,375.00	- 27.96	1,469.50
IT Facilities and Helpdesk	2,700.00	1,800.86	2,475.00	- 674.14	1,964.57
Stationery & Postage	500.00	407.17	458.33	- 51.16	444.19
Hospitality for Meetings	2,000.00	1,353.15	1,833.33	- 480.18	1,476.16
Journals and Subscriptions	600.00	-	550.00	- 550.00	-
Office Cleaning	200.00	151.00	183.33	- 32.33	164.73
TOTAL	127,303.00	102,130.00	95,477.25	- 14,504.49	112,680.02
			-		
PROJECT: 'DIGITAL YOUTH' YOUTH OUT LOUD!	Budget Approved 27.11.18	Expenditure to 28 February 2019	(Money unspent as of 31.3.2019 will be allocated to 2019/20 expenditure)		
Pop-up promotional banners	400.00	0.00			
Other promotional youth engagement merchandise	450.00	252.94			
Film launch event (x200 guests)	350.00	0.00			
Volunteer travel	800.00	0.00			
Additional room hire	150.00	0.00			
Meeting refreshments	300.00	36.07			
Youth engagement incentives ('Love to Shop' vouchers)	1000.00	0.00			
Training and support provided by film production youth worker	4500.00	90.00			
Training provided by partner organisations and other professionals	1050.00	0.00			
Healthwatch Kingston administration cost (10% of grant)	1000.00	1000.00			
TOTAL	10,000.00	1,379.01			
PROJECT: GRASSROOTS PROJECTS (b/f)	4200.00	4200.00			

The Travel Loan provided to a member of staff in 2018 has now been repaid in full.

Financial Responsibilities and Procedures

Approved 28 September 2017

1. The Board's Responsibilities

The Board is responsible for:

- Approving the budget for each year of operation 1st April to 31st March
- Reviewing income and expenditure in comparison with the budget at least quarterly
- Approving any in-year revisions to the budget and any re-allocation of funds
- Ensuring sufficient funds are secured for the organisation to operate in accordance with the agreed budget
- Approving all funding applications and bids for contracts
- Approving and signing funding contracts and terms & conditions
- Approving and signing staff contracts
- Approving the staff payroll arrangements
- Approving the Reserves Policy
- Ensuring adequate insurance cover
- Determining the banking arrangements
- Approving the list of cheque signatories
- Approving changes in jobs and salaries
- Approving any charges for services provided
- Approving any sale or other disposal of assets
- Approving any waiver of debts
- Approving the annual accounts
- Appointing an independent examiner annually

2. The Treasurer's Responsibilities

The Treasurer is responsible for:

- Developing a budget for each year, with the Manager, for approval by the Board
- Presenting financial reports to the Board at least quarterly
- Reviewing annual accounts, with the Manager, for independent examination
- Presenting the annual accounts, with the Manager, to the Board
- Assisting the Manager to produce an annual risk management report for presentation to the Board
- Investigating on behalf of the Board any financial or administrative matter which may put the charity at risk.
- Reviewing the independent examiner's report and advising the Manager and the Board on any action to be taken
- Authorising petty cash payments to be made to the Manager

3. The Manager's Responsibilities

The Manager is responsible for the following:

- Drafting initial annual budget for each year, with the Treasurer
- Recording all financial transactions

- Liaising with the approved payroll service to ensure all relevant information and payments are made
- Undertaking monthly bank reconciliations
- Preparing a cash flow forecast with the Treasurer, alerting the Board to any concerns arising
- Preparing the annual accounts, for Treasurer to review, for independent examination
- Presenting the annual accounts, with the Treasurer, to the Board
- Holding the cheque book in a safe place
- Checking all invoices and claims
- Providing the cheque book and the relevant invoice/claim to the Board's appointed cheque signatories for payment
- Ensuring cheques are sent or given to the intended beneficiary
- Authorising petty cash payments under £50 to other members of staff and volunteers
- Setting up, maintaining a register and reporting to the Board annually on the physical assets in the office

4. Approval of the Budget

An income and expenditure budget will be approved by the Board before the commencement of each financial year. The approved budget will be used to produce a cash-flow forecast for the year, which will be updated at least quarterly.

Amendments to the budget may be made during the year by the Board.

5. Payment Authorisation

The Manager and two Cheque Signatories must check that all proposed payments are valid and fit within the parameters of the expenditure budget approved by the Board.

Any proposed expenditure in excess of the agreed budget may only be authorised by the Board after consideration of the implications.

6. Purchase Orders

The Manager may issue purchase orders up to the value of £250, providing they fit within the parameters of the agreed expenditure budget and do not result in an excess of expenditure over budget. Purchase orders above £250 up to £1000 must have the prior approval of the Treasurer. Purchase orders above £1000 must have the prior approval of the Board.

7. Banking

The Board will determine the banking arrangements. The current arrangements are for Healthwatch Kingston Ltd to bank at the Metro Bank and to hold a current account with a cheque bank.

8. Cheque Signatories

All cheques must be signed by two signatories, as approved by the Board. Signatories must not sign cheques for which they are the beneficiary.

9. Petty Cash

- A petty cash float of £90 will be maintained
- Petty cash may be used for the purchase of small items (up to £20 without pre-authorisation and up to £50 with the Manager's pre-authorisation).
- Claims in excess of £50 must be paid by cheque
- The petty cash tin must be kept in a locked drawer to which the Manager only has access
- All claimants must complete a claim form, attach receipts and sign the form
- On payment, the claimant will sign that they have received the money and the Manager will add the date paid
- Stamps up the value of £50 may be purchased through the petty cash system and must be kept in the petty cash tin.
- When petty cash is running low, the Manager will ask the cheque signatories to sign a "Cash" cheque for an amount which will restore the amount available to £90

10. Incoming cheques and cash

Any cash received should be counted and verified by two members of staff. A receipt must be provided for any cash received.

Cash and cheques received must be paid into the bank by a member of staff or the Treasurer.