

Skipton BID Financial Procedures

This document aims to provide a clear and concise set of processes to govern the financial expenditure made by the Skipton Business Improvement District (the BID).

Skipton BID exists to deliver the Business Plan which was presented to businesses during the Fourth Term Ballot. Therefore, all expenditure should be used towards the delivery of this and operational activities and for no other reasons.

- Only individuals authorised by the Skipton BID Board shall be responsible for any expenditure on behalf of the BID.
- The proposed expenditure should represent value for money and at least three independent comparative quotes should be sought for any expenditure exceeding £1000 (refer to Procurement Policy).
- Due diligence, care and attention should be taken when dealing with any expenditure and cards, cash, passwords or PIN numbers should be subject to the same precautions as the individual would take if they were dealing with their own finances.
- No financial or other gain should be sought or accepted when undertaking any expenditure on behalf of the BID.

Annual budget

- The annual budget for the BID should correlate, as far as possible, with the Business Plan and the agreed annual budget figures should be embodied within the annual Action Plan and any projected variances on spend in relation to the Action Plan should be considered by the Board.
- The Board should receive a headline spreadsheet on financial activity against the annual budget in advance of each meeting and be able to request any further detail as may be required.

Budget monitoring

- As well as the overall scrutiny of the Board, activity against the approved annual budget will be monitored by the audit committee and they will receive monthly updates to approve.
- The Audit Committee will be to support the creation of financial monitoring systems & reports, to ensure best-practice in financial management.
- The independent accountants will arrange year-end reporting, including the submission of statutory financial statements & accounts.

Specific expenditure procedures to be followed:

1. Use of company Debit cards

- A debit card will be issued to a named individual and only they will be authorised to use it – under no circumstances should details regarding the card be disclosed to third-parties.
- A receipt, wherever possible a VAT receipt, should accompany any debit card purchases and this should be uploaded to the online budget folder.
- All debit card purchases should be checked against the corresponding bank statements to ensure that the debit has been applied correctly.
- All purchases need to be reconciled on SAGE to ensure they have been allocated correctly.

2. Use of online banking

- If approved, online banking will be set up for a named individual and under no circumstances should details regarding the online account be disclosed to third-parties.
- Any online banking transaction should be accompanied by an invoice or other confirmation and these should be uploaded to the online budget folder.
- The financial procedures need to be followed for approval for all online payments of over £1000.
- All online purchases should be checked against the corresponding bank statements to ensure that the debit has been applied correctly.
- All purchases need to be reconciled on SAGE to ensure they have been allocated correctly.

3. Use of cash

- Given the ability to use a debit card or online banking, cash should only be used in rare circumstances
- In these rare circumstances, cash should be withdrawn from the cashpoint to the nearest denomination available for the required purchase.
- A receipt, if possible a VAT receipt, should accompany any cash purchases and this should be uploaded to the online budget folder.
- All cash withdrawals should be checked against the corresponding bank statements to ensure that the debit has been applied correctly.

All expenditure will be set and monitored by the Skipton BID Board and the levels of authority set out on the Procurement Policy must be followed. The BID bank account allows for online banking and electronic signatory authorisation.

Whilst the majority of BID income will derive from invoicing the Council for levy income, as outlined within the BID Operating Agreement, there will also be a number of invoices which the BID raise to other organisations and the expectation is that the resulting income from invoicing will be received via electronic transfer. All receipts should be reconciled against the bank statement at least once per month and, in the rare event that any income is received by cash, this should be banked as quickly as possible as a single and fully intact deposit.

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