

Service Cashbook Completion

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Version Control

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| May 2020 | Nikki Fildes | 1.2 | Scheduled review |
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Summary of Changes

| Section | Change |
|---------|---|
| All | Change to new procedure template. References to 'service users' updated to 'supported people' and from 'Area Managers' and Registered Operations Managers' to 'Regional Managers and 'Operations Managers' |
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1.0 Introduction

This procedure explains how to complete the service cashbook and submit it to the Finance department, accurately and on-time

2.0 Purpose of the cashbook

The service cashbook is designed to record and reconcile all transactions processed through the service bank account.

The service cashbook should balance back to your imprest amount.

The service cashbook should be prepared either monthly or quarterly depending on what has been agreed with your Finance Officer.

The service cashbook is imported into the head office finance system and is balanced monthly/quarterly with the bank account balances.

The service cashbook must be completed on either a monthly or quarterly basis and submitted to Finance on the 1st working day of the month. If the cashbooks are not received on time it delays the preparation of the management accounts. Finance processes all the reimbursements in one batch and if any service is late it delays this process for all the other services.

3.0 Printing your Bankline Statement

Log into Bankline. You should already have the log in details for this.

Print off the Bankline statement for the month/quarter by entering the start date of the period and the end date of the period.

Should you have any problems with logging in or your passwords then please contact your Finance Officer or Finance Business Partner.

4.0 Completing the Service Cashbook

Each service should have a standard cashbook layout specific to their own service needs. This will show the individual bank account and sundry debtor codes. This will also show the petty cash amount and imprest amount, which are different for each service.

The standard service cashbook format should be saved on your service computer system, should you require a copy then please contact your Finance Officer.

Open up your service cashbook template and save in your service cashbook folder, naming it as the current month. To do this open your template, click file then save as, and select where you require to save the file. In the file name box, type in the month and year that you are completing, for example April 2021.

Click on the set up sheet tab of the cashbook. (Tabs are at the bottom of the spreadsheet and are the description of each individual page of the worksheet). The service details and service specific ledger codes should already be entered and should not be amended unless advised by your Finance Officer. If these details are missing then contact your Finance Officer.

Complete the set up sheet tab by entering the date, this is the last day of the month that you are completing, for example 30/04/21. Enter the cashbook balance brought forward from the previous month – this can be found in figure 5 of the bank reconciliation tab on the previous months/quarters cashbook. Enter the outstanding transactions brought forward from previous months in the box on row 17 – this can be found in figure 11 of the previous months /quarters bank reconciliation tab of the cashbook. This figure should be entered as a minus.

The outstanding transactions brought forward should also be entered individually in the section below headed as 'Breakdown of Outstanding Transactions'. This is found on the previous months/quarters bank reconciliation tab of the cashbook. If you go to the top of the sheet you will see columns headed as outstanding, check these columns for any entries and these should total your figure 11 entered as per 4.5 above. The outstanding amounts should then be entered onto your current month breakdown. Select the transaction type from the drop down list, this will normally be CHQ for cheque. Enter the transaction date, reference number and payee – all this information is on the previous month's 'cashbook-bank reconciliation' tab.

5.0 Receipts

The receipts sheet is designed to record all income processed through the service bank account. Income is shown as a credit on the Bankline printout and payments are shown as debits.

To enter the receipts click on the receipt tab of the cashbook. Click in line number 1 in the column transaction type, a drop down box will appear. Click on the arrow and select the appropriate receipt type, a list of transaction types and their description can be found on the 'list-transaction types' tab.

Enter the transaction date in the format DD/MM/YYYY (e.g. 30/09/2021).

Enter the receipt number from the receipt summary if there is one.

Enter the reference number if there is one, most income receipts will not have a reference number.

Enter the payer name, in most cases this will be Ark as this will be your monthly/quarterly reimbursement.

Enter a description of the receipt if it does not relate to a reimbursement or is an unusual receipt – i.e. repayment of a loan to a supported person.

Enter the amount (total of receipt) in the amount column.

The general ledger breakdown columns are used to identify the type of income that you have received. Enter the income under the relevant headings. Columns H to K are generally used for reimbursements from Ark and monies received from supported people (repaying loans, for example). Columns L to W are variable columns, these can be adjusted if you receive another type of income; for example, BT refund. Enter the cost code, which is usually your specific service code which can be found on the set-up sheet. The expense codes can be obtained from the 'list-expense codes' tab on the cashbook. When an expense code is input the relevant description/heading will be automatically displayed.

Once all the income has been entered ensure that there are no red boxes showing. If there are red boxes showing then something has been entered incorrectly, you should check the figures entered in columns H to W to ensure they add to the total of each entry.

6.0 Payments

There are two payments tabs, 'payments 1' and 'payments 2'. Payments 1 tab is for Supported Living services and payments 2 tab is for Community Houses.

Select the correct payments tab for your specific service.

All payments for the month should be entered even if they have not been processed through the bank account; for example, a cheque written on the 31st of the month may not have been processed through the bank but must be entered on the payments tab.

All the information required to complete the payments tab should be available from your cheque book, payment summaries and the Bankline printout.

Start with any cheques that have been written in the month that is being processed; for example, cheque no1 – go to the payments tab and select the appropriate transaction type from the drop down list, CHQ equals cheque payment. A list of the transaction types and their full description can be found on the 'list-transaction types' tab.

Enter the transaction date in the format DD/MM/YYYY (for example, 30/09/2021).

Enter the appropriate receipt number from the payments receipt summary.

Enter the cheque number for the payment.

Enter the payee name; for example, petty cash, BT, etc.

Enter a description of any unusual or large items purchased; for example, details of any repairs, purchase of equipment, tenant committee monies, Speak Out Group expenses, etc.

Enter the amount in the amount column (total of the payment).

Columns H to Q are fixed columns where the general ledger codes/headings are already input and they cover the most common payment headings. Enter the breakdown of the amount into the correct columns.

Columns R to AA are variable columns and where appropriate codes can be entered by each service as required. Each column must have a cost code and an expense code. The cost code

should be your specific service code and this can be found on the set up sheet. The expense codes can be found on the 'list-expense codes' tab.

After all the cheques have been entered, check the Bankline printout for any other payments that have been made; for example, direct debits or standing orders. Enter these in the same way as above except the transaction type will be D/D or S/O.

Once all payments have been entered, check to make sure that there are no red boxes. If there are any red boxes then the breakdown of the cheque, etc. may not equal the total amount.

Scan any individual receipts that are over £30.00 to your Finance Officer. These are required for Finance records and may be checked by our auditors.

7.0 Bank Reconciliation

Once all the receipts and payments have been entered then you can move onto the bank reconciliation tab of the worksheet. This is designed to provide a month/quarter end bank reconciliation. It also calculates the amount of reimbursement that is due to be paid to the service.

All the information from the set-up sheet, receipts and payments tabs automatically filter through to this worksheet.

Enter the month end date in figure 9, using the format DD/MM/YYYY (for example, 21/03/2021).

Enter the closing bank balance in figure 9, Row P. This will be found on your Bankline printout.

Check your Bankline printout line by line and where the amount recorded on the bank statement matches an entry on the worksheet then mark it as not outstanding. This is done by going to the cleared column and selecting Y from the drop-down box.

If anything has been missed off the receipts and payments tabs then go back and adjust these before returning to the bank reconciliation tab.

No figures are required to be entered on the cashbook reconciliation or reimbursement calculation section of the reconciliation.

Once this process has been done then check that there are no red boxes. Some figures may be red as they are a negative but the service imprest amount at the bottom of the sheet should **not** be in block red. If this is in red then go back and double-check all the figures that you have entered.

If after checking there are still red boxes then contact your Finance Assistant or Finance Officer who will be able to assist you.

8.0 General Ledger Journal

The 'general ledger journal' tab is for Finance department use only and should **never** be altered.

9.0 Submission of the form

Once the form has been completed then save the file in your relevant folder, this will give you your starting figures for next month/quarter.

Email the cashbook to your Finance Assistant who will check and process the reimbursement for the Service.

At Ark's year end, which is the 31st March, Finance will require a copy of the bank reconciliation sheet; this is required by our Auditors. Once the cashbook has been completed the bank reconciliation sheet should be printed off, signed by the relevant Regional Manager and sent to the Finance Assistant.

10.0 Records retention

All cashbook receipt summaries, cheque books etc. should be kept in a secure, fireproof cabinet and kept for **seven** years.

11.0 Implementation and Review

11.1 Implementation

Regional managers must ensure that Care & Support Managers and Operations Managers implement these procedures.

11.2 Review

The Assistant Director of Care & Support will ensure that these procedures are reviewed by the Policy & Procedure Review Group at least every 3 years.