

PROCEDURE: Income and Receipts Handling

- PURPOSE:** To Define the Policy and Procedure for recording and handling income and receipts
- SCOPE:** Income due to Melbourn Parish Council (MPC) for services and goods supplied. Applies to all Parish Office employees (Clerk, ~~Assistant~~ Deputy Clerk, Assistant and Responsible Financial Officer).
- POLICY:** This policy is intended to provide guidance to Parish Office employees of the steps to take, and the controls in place to ensure that income and receipts are properly managed and recorded in the financial records.
- RESPONSIBILITES:** It is the responsibility of all Parish Office employees to ensure that invoices are raised for goods and services provided by MPC and to properly handle any receipts. It is the responsibility of the Responsible Financial Officer (RFO) to ensure that cash and cheques banked agree to the underlying records, to monitor overdue accounts and to inform MPC of any bad debts.

PROCEDURE:

1. Invoices

- 1.1. Invoices for income will be raised by ~~the Clerk or Assistant Clerk~~ the office and will be consecutively numbered. (See 'Allotments' below for invoices relating to Allotment Rentals)
- 1.2. MPC will encourage payment via bank transfer wherever possible asking payers to quote a reference to make identification easier (e.g. invoice number).
- 1.3. Invoice details will be entered in ~~Edge Finance~~ by the Council finance system by Parish Office staff.

2. Receipts via bank transfer

- 2.1. The RFO will review the bank statements for any invoices paid by bank transfer and will record the receipts in ~~Edge the Council f~~ Finance system.

3. Cash or cheque receipts

- 3.1. A consecutively numbered duplicate receipt will be completed by the Parish Office staff member who receives the cash or cheque. The receipt document will record the payment date, customer's name, invoice number, what the payment was for, whether the payment was cash or cheque and the cheque number (if applicable). A copy of the receipt will be issued to the customer and a copy will be placed in the cash tin.
- 3.2. Cash and cheques will be locked in the cash tin which will be kept in a locked cupboard in the Parish Office.
- 3.3. Cash and cheques will be banked regularly by the RFO (at least monthly and more regularly in the period following allotment invoices being issued).

- 3.4. Prior to banking, the RFO will reconcile the amount to be banked to the consecutively numbered duplicate receipts issued. Any discrepancies will be investigated and reported to MPC as appropriate.
- 3.5. Cash counted from the cash tin should be witnessed by another employee if possible.
- 3.6. Cash receipts will be paid into Unity Bank via the Post Office using the cash card provided by Unity Trust Bank. The RFO will keep a cash banking record which shows the breakdown of the cash paid in.
- 3.7. Cheques will be mailed to Unity Bank using the paying in book – cheque details are to be recorded on the counterfoil.
- 3.8. The RFO will record the receipt details in the Council-Edge Finance system using a reference which shows the type of receipt (cash or cheque), paying in date, and the counterfoil reference number (for cheques).
- 3.9. The RFO will check that the amounts paid into the bank agree to the receipt amount on the bank statement.

4. Overdue Accounts

- 4.1. The RFO will regularly review unpaid invoices and discuss them with the Clerk or Assistant-Deputy Clerk who will follow up as necessary.
- 4.2. The RFO will notify MPC of any unpaid balances that cannot be recovered (bad debts) and seek approval to write them off.

5. Allotments

- 5.1. Invoices will be raised in Edge Allotments the Council finance system by the Clerk or Assistant-Deputy Clerk and sent to the Allotment Holders.
- 5.2. MPC will encourage payment via bank transfer wherever possible asking payers to quote a reference to make identification easier (e.g. allotment plot number or invoice number).
- 5.3. Payments made by Allotment Holders will follow the applicable bank transfer, cash or cheque receipts procedure above.
- 5.4. The RFO will reconcile the receipts to the supporting paperwork and will update Edge Allotments and Edge Finance the Council finance system.
- 5.5. The RFO will liaise with the Clerk or Assistant-Deputy Clerk regarding any overdue accounts and they will take action as necessary.



Document Approval:

(Chair to Melbourn Parish Council)

Date of Parish Council meeting : ~~28 March 2022~~ 30 July 2025

Review every ~~12-24~~ months