

Card and PayPal transactions	
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Introduction

Business charge cards are used to make payment on an immediate basis generally related to the purchase of items and services via websites or for staff off site while business debit card is used for cash withdrawals for change (petty cash) and some ad hoc purchases from websites (only when business charge cards are not available).

The organisation maintains a PayPal account for collecting course fees and other web-based receipts (eg eBay sales and donations). It is also used to make payments when purchasing items via websites.

The organisation also maintains a Stripe and Izettle accounts for collecting Café web orders, Skedda venue hire payment, Toy Library Hire & Membership and nursery admin charge for their wait list.

Card Transactions

General

Charge cards should be issued to a small number of staff to lessen the risk of fraud and to improve the control of expenditure. The named cardholder must be present to authorise any expenditure. The card details, including the PIN, must not be released by the cardholder.

A payment request form must be authorised by the budget holder prior to a transaction being undertaken (see procedure FP01) unless the transaction is carried out by the holder whilst away from the premises. Supporting documentation must be obtained to backup all charge card transactions. This will normally be an invoice or receipt. Any purchases need to have a VAT invoice (if possible) for VAT return purposes.

The payment method should be noted on the payment request form. If the purchase is being made through a website, the cardholder must be present to enter the relevant card information into the website. If a direct purchase is being made, the cardholder must be present to provide the PIN.

A receipt or invoice must be obtained for every charge card transaction. This must be passed to the Finance team for processing. Monthly charge card statements are received by the Finance team. All recorded transactions are agreed to the supporting documentation then entered on to the accounting system.

Settlement of the charge card balance is via a monthly direct debit.

Charge and debit cards will be cancelled and destroyed when the individual ceases to work for the charity or if the authorisation of the card's use is withdrawn.

Card holders and limits

In the event of a cardholder requiring a change in the card limit, the amendment must be approved by one of the account signatories prior to a request being made to the bank. The request of the change must be made in writing.

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PayPal

PayPal expenditure

PayPal can be used to make website payments up to a maximum of £250 per transaction. A payment request form must be raised and authorised prior to a transaction being undertaken. Supporting documentation must be obtained to back up all PayPal payments. This will normally be an invoice or receipt. It is important that documentation is obtained particularly when VAT has been charged on the purchase.

On a monthly basis the finance team will reconcile all PayPal transactions for the month, agree them to the supporting documentation and enter them on to the accounting system.

PayPal account administration

The balance on Xero will be reconciled to the PayPal account balance on a monthly basis. The month end balance held on the PayPal account will be maintained between £1,000 and £1,500. Any excess funds will be transferred into the organisation's bank account.