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**Financial Management POLICY template** MAKING SURE EVERY TRUSTEE HAS A COPY

**Responsibilities**

* We recognise that financial management is a collective responsibility of the trustees
* We authorise to undertake tasks

**Budgeting**

* We prepare an annual budget as part of our annual work plan
* The budget is not valid until it has been approved by the governing body

**Expenditure**

* The chairperson and treasurer can approve expenditure up to € , provided that this is for items listed in the approved budget
* All expenditure approvals should be documented in writing to/by the treasurer (email is acceptable)
* Any expenditure that is not in the budget and any expenditure that is beyond € is considered exceptional and must be pre-approved by the governing body
* All invoices must be matched with their expenditure approval confirmation
* All invoices must be linked to the appropriate budget item
* Invoices are approved and paid within 31 days
* Expenditure approvals are reviewed quarterly and any outstanding invoices are followed up
* This also applies to standing orders and direct debits
* All expenditure is recorded in a monthly spreadsheet
* All associated paperwork is filed

# **Petty cash**

* The petty cash float is held by the treasurer who is responsible for keeping it safe
* The float may not exceed €
* Receipts must be obtained and retained for all petty cash expenditure

**Out-of-pocket volunteer expenses, including trustee expenses**

* The following are allowable expenses:
* Expense claims should be submitted as early as possible after being incurred
* Claims not submitted within six months are considered void
* Receipts are required for all expenses
* Expenses up to € may be claimed from petty cash
* Expenses over € must be formally pre-approved by the governing body

**Income**

* All income (cash, cheque or other) is receipted
* Monies must be given to the treasurer as soon as possible after receipt
* The treasurer must lodge money as soon as possible after receipt
* All income is recorded in a monthly spreadsheet
* All associated paperwork is filed

**Bank accounts**

* The governing body makes decisions about bank acounts and signatories
* We have XXX bank account(s), the details of which are: XXX
* Cheque books are held by the treasurer who is responsible for keeping them safe
* There are three authorised signatories who are: XXX
* Signatories may never be related to each other
* Two signatories are required to sign cheques, withdraw or transfer any funds from the account(s)
* Passwords for internet banking are held by XXX
* Passwords are changed regularly and this is done immediately on a relevant trustee’s departure from the governing body
* All online banking transactions have a hard copy

**Bank statements**

* Bank statements are obtained on a quarterly basis at minimum
* All items are checked off against income and expenditure records
* Bank records are reconciled with the accounting records each quarter
* Any discrepancies are investigated

**Financial reporting**

* Quarterly income and expenditure accounts are prepared which are discussed at governing body meetings
* An annual financial statement is prepared that is approved by the governing body

**Assets management**

* The assets that we own that are worth over €200 are listed below
* Only the governing body can approve the disposal, sale, or transfer to another charity, of any assets that are no longer of use to us

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Items | Date acquired | Replacement cost € | Date disposed of | Comments |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

**Record keeping**

* All financial records are retained for six years

**Review**

* This policy will be reviewed every three years or sooner if circumstances change

Signed: Signed:

Chairperson Treasurer

Date: Date: