


Policy

Title: Policy for Financial Management and Controls

| Document No. | Version | Status | Effective Date |
|--------------|---------|----------|----------------|
| POL-03 | 03 | Approved | 09/03/2021 |

Document Approvals

| Approver | Print Name | Signature | Date |
|----------|--------------|--|------------|
| | Fran Crowell |  | 09/03/2021 |

1.0 Objective

The purpose of this document is to describe the Remember Us policy associated with Financial Management and Controls

2.0 Scope

The scope of the document applies to all Employees and Directors of Remember Us.

3.0 Responsibilities

It is the responsibility of Remember Us to have a policy in place to describe the Financial Management and Controls in place.

It is the responsibility of Remember Us Employees and Directors to ensure they have read and understand the policy herein.

4.0 Policy

4.1 Introduction

The financial policy of Remember Us aims to ensure appropriate accountability, transparency and reporting of charity income, expenditure and funds. The overarching principles and internal controls which must be adhered to are set out below. The policy is set out to comply with the 'Internal Financial Controls and Guidelines for Charities', issued by the Charities Regulator (updated 14th June 2017).

4.2 Principles:

- **Consistency:** The financial policy must be consistent, which simply means that it does not allow manipulation of processes and systems. All staff members must consistently adhere to the financial policy. A consistent policy ensures better accountability, transparency, better information dissemination and timely reporting. Consistency engenders an environment of trust for members, management, directors and stakeholders.

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- **Accountability:** The financial systems are designed to make Remember Us more accountable to our stakeholders. As a trustworthy Charity we will account for all resources and expenses to the maximum possible extent.
- **Transparency:** Remember Us discloses all of its operations and provides all necessary information to stakeholders where required. This means that Remember Us will provide accurate and timely information to donors, beneficiaries and all relevant stakeholders.
- **Viability:** For Remember Us to be viable in the long run, this policy will set in place a mechanism to maintain a balance between its expenditure and income while managing exposure to risk. The policy outlines the requirement to undertake measures to ensure Remember Us continues to operate into the future, by undertaking a risk assessment, forward looking budgets and forecasts and strategic planning.
- **Integrity:** All Remember Us Directors and Staff follow all rules set by the financial policy without exception.
- **Oversight:** This policy ensures that the financial operation of Remember Us is reviewed on a regular basis to ensure that financial data is as expected.
- **Accounting standards:** The policy incorporates relevant national standards and protocols of financial accounting and record keeping.

4.3 Streams

The following policies are set out below in relation to accounting for the various income, revenue, asset, liability and capital streams

- 4.3.1 Expenditure
- 4.3.2 Income - Unrestricted, Restricted, Deferred
- 4.3.3 Capital Grants
- 4.3.4 Bank Accounts
- 4.3.5 Financial Reporting
- 4.3.6 Asset Management

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4.3.1 Expenditure

Purchasing

For purchases over €2,000, multiple quotes (three where available) are required to be obtained to ensure financial value. Suppliers with a track record of quality are taken into consideration.

Expenditure Approval Limits

Note: All approvals outlined here relate to the paying out of monies which are already approved for budget purposes. A budget must be set on an annual basis and approved at board meeting by directors.

- The Manager/Coordinator/Assistant Coordinator can approve budgeted expenditure up to €5,000.
- The sum total of cheques issued in any one day cannot exceed €5,000 without prior Board approval.
- Amounts between €5,001 and €25,000 must have the written* approval of ALL authorised signatories.
- Amounts in excess of €25,001 must have the written* approval of ALL Board of Directors of Remember Us.

*written approval includes email, text message and written signature.

Invoices

Approval

- A written request* will be made for any and all Purchases and expenditure. A copy of same will be attached to the invoice.
- Written requests must be made in line with budgetary approval.
- No payments will be issued without a written invoice/request.

*written request includes email and letter format.

Payment

- Invoices should be approved in line with expenditure approval limits set out above and paid within 31 days.
- Payment runs for invoices due must be made at least once per week.
- Payments are made by Cheque, Credit card, and/or online.
- All banking online transactions should be printed in hard copy and filed with the rest of the documentation.
- Passwords to access internet banking to be held by the Coordinator, Assistant Coordinator and one other designated person. Passwords should be changed quarterly. Passwords must be kept confidential and never shared with any 3rd

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party. The sharing of passwords is a very serious breach of financial control system and disciplinary action should be taken for any breach

- Cheques must be signed by two of 4 listed signatories
- When not in use Chequebooks must be kept in a locked cabinet. Access to the cabinet must be restricted to the Coordinator/Assistant Coordinator or one other person designated by the Coordinator/Assistant Coordinator.
- No authorisation is provided for pre-signed cheques.
- Where practicable, payment should be made by a person other than the person requesting the payment – separation of duties.

Filing

- Each invoice is to be referenced with EFT or cheque number.
- Invoices should be filed in their relevant files.
- A separate lever arch file is to be maintained for all payroll records. Copy payslips, gross to net listings PAYE/PRSI Returns, Revenue Receipts and other revenue documentation to be kept on this file. EFT reference to be noted on PAYE/PRSI returns and copy payslip.
- Files should be retained in the Office until after the annual audit. All bank and payroll records will be maintained indefinitely, and all other files are required to be retained for six years.

Company Credit Card

- The company credit card can be used by the Manager, Coordinator and Assistant Coordinator only. The company credit card must be used for business purposes only, in conjunction with the employee's job duties. The credit card should not be used for any non-business, non-essential purpose. A credit card limit will be set at €2,000.
- The credit card balance will be cleared via direct debit each month.
- Any individual using the Company credit card is responsible for:
 - Using the card only for its intended purpose
 - Retaining receipts and providing explanations for all company credit card transactions
- Details of the credit card are also held securely in a locked cabinet. Access to the cabinet must be restricted to the Coordinator/Assistant Coordinator or one other person designated by the Coordinator/Assistant Coordinator.

Standing Orders, Direct debit & Credit Card transactions

- Approval process is as per Invoices above.
- The approval forms should be filed with the invoices.

Expenses

- It is the policy of Remember Us not to encourage the claiming of Expenses.
- Should extraordinary expenses be incurred by a volunteer or Board member it must be pre-approved by the Manager, Coordinator/Assistant Coordinator.

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- Should extraordinary expenses be incurred by the Manager, Coordinator/Assistant Coordinator these should be verified and approved by the Chairperson of the Board
- Receipts must be attached to the expense form.

Petty Cash

- Petty cash float not to exceed €250.
- Receipts must be obtained and retained.
- All transactions must be recorded in a cash book.
- Petty cash must be locked in the locked cabinet at all times. Access to the cabinet must be restricted to the Coordinator/Assistant Coordinator or one other person designated by the Coordinator/Assistant Coordinator.
- Keys are to be kept only by Coordinator/Assistant Coordinator. No other person to have access to the locked cabinet unless authorised by the Coordinator/Assistant Coordinator.
- A transaction limit of €100 per transaction applies.
- All Petty Cash expenditure should come from sums within the cashbox, if additional money is required for the Petty Cash float, this should be requested separately.
- Petty Cash must be reconciled on a monthly basis.

Wages & Salaries

- Wages & salaries must be made with deductions of statutory deductions (PAYE, USC and PRSI).
- A monthly statement must be submitted via ROS and paid quarterly.
- In line with the payment of expenses noted below, all payroll payments must be approved by 2 of 4 signatories.
- Payslips are required to be sent to the employee in password – protected pdf format.
- Adherence to changes in payroll related matters must be made in line PAYE modernisation requirements.
- Appropriate records are maintained to enable quarterly reporting requirements of payslips and payments leaving bank account to be provided to funding agencies.

4.3.2 Income

Procedures for incoming cash/cheques by post and credit card payments

- The post is opened by the Manager, Coordinator/Assistant Coordinator [or by a person designated by the management team]. If there is any cash in the post, this must be recorded in the cash book and when it is lodged it is added to the monthly financial spreadsheet.

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- All cash and cheque payments must be receipted, where applicable. All cash received must be counted by two people and signatures noted in financial spreadsheet.
- All cash and cheque originals to be filed by the Manager, Coordinator/Assistant Coordinator in the cabinet under lock and key. Cash is arranged by denomination, appropriately sealed and the amount labelled on each bundle.
- The original accompanying correspondence is then filed appropriately.
- The Manager, Coordinator/Assistant Coordinator enters details of all payments into the excel accounts. Details to be entered are: amount, method of payment, purpose of payment. A receipt is issued when requested. Any donations received are acknowledged in writing.
- Lodgements to be made at least once a week by 2 persons, and documents filed appropriately.

Direct Debits/Standing Orders

- Documentation must be obtained for direct debits and/or standing orders.
- All income must be recorded.
- All Direct Debits/Standing Orders should be reviewed quarterly.

Cash Receipts

- The cash received on club nights/activities or handed into the office should be counted, witness and signed and countersigned by Team Leader/Staff member.
- The cash should be kept safe and returned to the Office as soon as possible – with verification provided by the Coordinator/Assistant Coordinator.
- All cash to be filed by the Manager, Coordinator/Assistant Coordinator in the cabinet under lock and key.
- A reconciliation of cash should be completed on a weekly basis.
- Lodgements to be made at least once a week by 2 persons, and documents filed appropriately.

Public collections

- Public collections are carried out by Remember Us only in the case of receiving the necessary permits.
- All collection boxes must be individually numbered and recorded of whom the box has been issued to.
- All collection boxes are security sealed in the office and taken to events sealed throughout.
- Lodgement of cash is outlined above – by two unrelated persons. No deduction is made for expenses.
- A master schedule/record of events is maintained by the charity, including details of timing, event title, pricing (for ticketed events), total amount collected or received (ticketed events), total amount lodged, date of lodgement and lodgement reference number.
- All event tickets are pre-numbered.

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- Details recorded of all persons allocated tickets to sell, and which ticket numbers they have been allocated.
- Records of unsold tickets are kept.
- Receipts are issued on request for all monies returned.
- There must be two unrelated persons involved in the issuing of tickets, counting of monies returned, recording of tickets returned and the lodging of monies, consistent with the remainder of this financial policy.
- A reconciliation must be completed between ticket records, money returned, and money lodged for each event.

Donor Documentation

- All documentation must be processed according to the donor's requirements. All grant agreements which contain terms and conditions of funding must be signed by both the charity and the funder.
- All donors should receive a written acknowledgement and a receipt if requested with a copy kept on file in the office.
- A master record of all grants must be maintained by the charity (including details of funder, total grant amount, timing of payments, date received/receivable and related bank account used to receive the grant income) and stored in lockable cabinets.
- Bank accounts are appropriately labelled to ensure that the income is easily identifiable, in line with stated funding arrangements. This allows for appropriate accounting of same.
- As part of the bank reconciliation procedures, a reconciliation is completed between the grant income records, grant income received, and the amount recorded in the bank account.
- For gifts received, ensure that the 'Enduring Certificates (CHY3 Cert)' or 'Annual Certificates (CHY4 Cert)' are obtained from all donors.
- Perform an annual review to ensure that all eligible tax repayments are obtained.
- Ensure that the records of the eligible tax repayment is maintained and filed appropriately.

4.3.3 Capital Grants

- Capital grants are processed in accordance with the terms of reference.

4.3.4 Bank Account

Remember Us has 4 authorised Signatories on all bank accounts.

Bank Account Signing Rules

- The following rules will apply when issuing cheques from the Remember Us bank account.

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- Any changes to online administrators users or payment authorisers should be approved by the board
- Any changes to authorised signatories should be approved by the board
- Where a member of staff/board leaves, access to bank accounts must be revoked. Manager/Coordinator will ensure access credentials are removed and passwords are changed and notify the Board of Directors of this.
- All cheques/on-line payments issued from Remember Us Limited must be signed by 2 of the 4 authorised signatories.
- Cheques/on-line payments issued from Remember Us Limited with a value greater than €25,000.01 must have the written* approval of ALL members of the Board of Directors of Remember Us Limited in addition to being signed by 2 of the 4 authorised signatories.

*written approval includes email, text message and written signature

Bank Account Records

A bank account record must be maintained for all accounts. On a monthly basis, the bank account records must be balanced and reconciled with accounting records.

Bank Statements

- Bank Statements must be obtained on a monthly basis.
- All items must be checked off against the income and expenditure records.
- Bank statements should be kept on a separate lever arch file and filed in date/numerical order.
- Any item on the statement but not on the records e.g. bank charges must be queried if necessary and recorded when satisfied that it is a bone fide income or expenditure.

Bank Reconciliation

- The bank account must be reconciled on a monthly basis. The Manager will present this reconciliation to the Board of Directors for sign off.
- Outstanding income and expenditure can be identified by checking each item on the statement against the records. Items which have not come through will be thereby identified.

4.3.5 Financial Reporting

Reporting

- All income and expenditure must be recorded when the transaction has occurred.
- As noted above, supporting documentation must be filed in the appropriate folders.

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- An executive report must be presented at each Board Meeting detailing and outlining the expenditure and cash position.
- A Financial Report must be prepared and provided to the full Board on an annual basis.

Budgets

An annual budget must be prepared.

Financial Statements

- Financial statements must be prepared on an annual basis and signed off by the Board.
- The Financial Statements must be audited on an annual basis. The financial statements must be approved by the Board of Directors in advance of the AGM where they are again presented.
- The Financial Statements must be lodged with the Companies Office on an annual basis.
- The Financial Statements must be filled with regulatory bodies (including the Charities Regulator) on an annual basis.

4.3.6 Asset Management

Fixed Asset Register

- A fixed asset register will be maintained and updated annually. A review of the register must be undertaken to ensure that the assets are being used in the most optimal manner for the charity.
- Assets will be recorded when purchased.
- Make, model and serial numbers should be recorded for material items (items of value greater than €1,000 agreed)

Depreciation Policy:

| Asset Type | | Depreciation |
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| Premises | Freehold | 50 years |
| | Leasehold | Over the period of the lease |
| Computers | | -25% per annum |

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| | | |
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| Furniture | -20% annum | per |
|-----------|---------------|-----|

- Depreciation should be calculated on an annual basis in line with the rates set out above
- A fixed asset audit should be completed every three years to ensure all assets are in use and no impairment is required. The outcome of this is required to be reported to the Board of Directors.
- Disposals of fixed assets required Board of Director formal review and approval.
- Assets are required to be appropriately insured, with the policy to reviewed on an annual basis.

5.0 References

n/a

6.0 Revisions

| Version Number | Description of Revision |
|----------------|---|
| 01 | First issuance of Policy for Financial Management & Controls |
| 02 | Reviewed & Updated on 25/01/2020 |
| 03 | Reviewed and updated on 09/03/2021 <ul style="list-style-type: none"> - Company CC balance to be cleared each month - Removed ref to SORP on pg 7 & 9 - Changed suggested to agreed in 4.3.6 on pg 9 |