



Financial Policy

Introduction

The Waterford Sustainable Living Initiative (hereafter SLÍ) is committed to ensuring that the organisation's finances are managed to a high standard, and in line with established accounting practices, charity and company law. These principles and procedures have been designed to be transparent and demonstrate accountability for how our funding is recorded and spent. Any member of staff, volunteer or board member who fails to comply with the financial regulations may be subject to sanction. Financial records will be kept so that SLÍ can:

- Meet its legal and other obligations.
- Enable the Management Committee to be in proper financial control of SLÍ.
- Enable the SLÍ to meet the contractual obligations and requirements of funders.

SLÍ will keep proper books of accounts, which will include:

- A cashbook analysing all the transactions in SLÍ's bank account(s).
- A petty cash book if cash payments are being made.

The financial year is August 1 to July 31st each year.

SimplePay is used for Payroll and accounting is done through QuickBooks.

Accounts will be drawn up after each financial year within six months of the end of the year and presented to the next Annual General Meeting.

Prior to the start of each financial year, the Management Committee will approve a budgeted income and expenditure account for the following year.

A report comparing actual income and expenditure with the budget will be presented to the Management Committee every three months.

The Management Committee will appoint an appropriately qualified auditor/examiner to audit/examine the accounts for presentation to the next AGM.

Account will be signed by two members of the board (usually the Chair and the Secretary) or two appropriate persons.

Accounts will be made available on the SLÍ website.

If SLÍ's annual turnover is greater than €100,000 it must have its financial statements audited. SLÍ's board, CEO and accountant shall appoint external auditors in accordance with Section 160 to 163 of the Companies Act 1963.

All requests for payment will be reviewed against the Finance policy. The right to stop payment exists if it is not in accordance with policy. In situations where a request for payment is not in accordance with the Finance Policy, an appeal can be made to the Board and CEO for resolution. None of the approved signatories has the authority to authorise a payment through Banking online to him/herself or where a conflict of interest may arise with the exceptions of:

- Payroll payments.
- Appropriately authorised reimbursement expenses occurring in the normal course of work.



Banking

SLÍ will bank with AIB, Waterford City. Accounts will be held in the name of Waterford Sustainable Living Initiative.

- » The Manager of SLÍ and the Secretary of the Management Committee of SLÍ will have the sole power to pay funds and two signatures are required (CEO and Board Chair).
- » SLÍ will require the bank to provide statements quarterly and these will be reconciled with the cash book at least every three months and the Management Committee will spot check that this reconciliation has been done at will.
- » SLÍ will not use any other bank or financial institution or use overdraft facilities or loan without the agreement of the Management Committee.

Income

All monies received will be recorded promptly in the cash analysis book and banked without delay (note this includes sundry receipts such as payment for telephone calls, photocopying etc.). SLÍ will maintain files of documentation to back this up.

Expenditure

The aim is to ensure that all expenditure is properly and diligently accounted for in line with SLÍ business activities, that it is properly authorised and that this can be demonstrated. The latest approved budget provides the SLÍ management with authority to spend up to the budgeted expenditure, not beyond it.

Bank Payments, Direct Debit, Standing Orders and EFT:

- » The Manager/CEO and Board Chair will be responsible for handling and authorising bank payments.
- » These payments are automatically deducted from the current Bank Account.
- » These payments must be approved by the Chair or another board member.
- » All payments are recorded with information regarding what project they are attributed to and under what budget line.
- » Relevant payee's name, date, invoice and other relevant information will always be recorded along with each bank transaction.
- » All payments will be reviewed on annual basis to prevent any irregularity.

Company Card:

- » SLÍ has one company card held in the name of the CEO.
- » Card must be used only by the CEO or approved member of staff.
- » All receipts should be kept and noted with reason and project/budget line.
- » Receipts should be available for approval from the board.
- » Under no circumstance should the card be used for personal use.
- » The card should not be used to set up subscriptions outside the work of SLÍ.
- » Any deviation or suspected breaches must be reported to the board and the CEO immediately.

Expense Claims

A policy on expenses and reimbursement is available from management. The expense and reimbursement forms must be filled out and submitted correctly. All expenses will be approved in accordance with this policy and authorised by manager/supervisor or Board Chair. Expenses / allowances will, if asked, reimburse expenditure paid for personally by staff, providing:



- › Fares are evidenced by tickets.
- › Other expenditure is evidenced by original receipts.
- › Car mileage is based on local authority scales.
- › No signatory signs for the payment of expenses to themselves.

Documentation

Every payment out of SLI's bank accounts will be evidenced by an original invoice (never against a supplier's statement or final demand). The original invoice will be retained and filed. All receipts and other documentation will also be retained and filed. The payer should ensure that it is referenced with:

- › Date.
- › Amount.
- › Payee information.
- › Project/Reason.
- › Any other relevant information needed for SLI and/or funder.

Exceptions to payments not being supported by an original invoice may exist for such items as advanced booking fees for a future course, online business subscriptions, VAT, etc. Here a receipt should always be kept.

Wages and Salaries

SLI must be compliant the *National Minimum Wage Act 2000* and the *Payment of Wages Act 1991*. Under these acts SLI must provide employees with a pay slip showing their gross wages (total pay before deductions) and details of any deductions every time they are paid. They also outline details of the national minimum wage and other guidelines.

Payroll is paid on a weekly basis. All amendments to the payroll must be brought to the board and signed by the appropriate member (Chair/Secretary). There will be a clear trail to show the authority and reason for EVERY such payment; e.g. asking for payment to an employee, Revenue, etc. All revenue deductions are taken by Revenue and any issues with tax must be raised by the employee to Revenue in the first instance. All employees will be paid within the PAYE, National Insurance regulations.

All staff appointments/departures will be authorised by the trustees, minuting the dates and salary level. Similarly, all changes in hours and variable payments such as overtime, etc, will be authorised by the trustees.

Any queries with regard to payroll should be addressed to line manager or Board Chair as appropriate.

Petty cash

A policy on petty cash is available from management. This policy covers the use of petty cash using the SLI card. If physical petty cash is in use, it will always be maintained on the imprest system whereby an Administration Worker is entrusted with a float as agreed by the trustees. When that is more or less expended, a cheque will be drawn for sufficient funds to bring up the float to the agreed sum of €50, the cheque being supported by a complete set of expenditure vouchers, totalling the required amount, analysed as required. All receipts must be kept and expenditure recorded in the log. Any irregularity will be brought to the attention of the CEO and Board.

Cheque Signatures

Each cheque will be signed by at least two people.



A cheque must not be signed by the person to whom it is payable.

Procurement of Goods and Services

A policy on tender procurement is available from management. The highest quality of desired goods and services at the best price possible is the key principle for this expenditure. This policy must be followed as it allows us to demonstrate transparency and accountability to our funders and their agents, Statutory Regulators, our members and to the people with whom we work.

Fraud

A policy on fraud is available from management. SLÍ has a zero tolerance for fraud, is committed to the prevention of fraud and has a number of anti-fraud measures in place. All suspicions of fraud should be reported to the line manager, CEO or Chair of the Board.

Other Undertakings

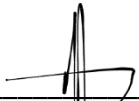
SLÍ does not accept liability for any financial commitment unless properly authorised. Any orders placed or undertakings given, the financial consequences of which are, prima facie, likely to exceed in total €5,000, must be authorised and minuted by the trustees. In exceptional circumstances such undertakings can be made with the Chairperson's approval who will then provide full details to the next meeting of the trustees. (This covers such items as the new service contracts, office equipment, purchase and hire).

All grant applications undertaken on behalf of the organisation will be done in the name of SLÍ with the prior approval of the trustees or in urgent situations the approval of the Chairperson who will provide full details to the next trustee's meeting.

Other Rules

SLÍ will adhere to good practice in relation to its finances at all times, e.g. when relevant it will set up and maintain a fixed asset register stating the date of purchase, cost, serial numbers and normal location. Additionally, SLÍ will maintain a property record of items of significant value, with an appropriate record of their use.

The Financial Policy will be reviewed in June 2025, or as soon as practicable after there has been a material change in any matter to which the statement refers.

Signed:  (John Hawkes, SLÍ Board Chair)

This policy was approved by SLÍ's Management Committee, June 2023.