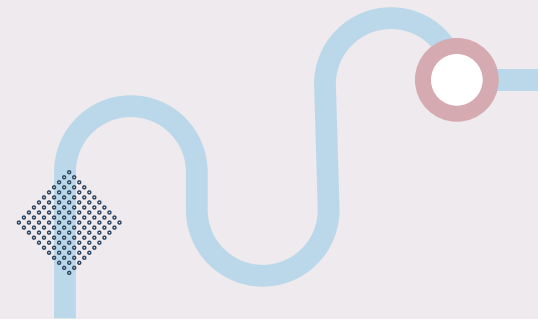


Financial Management Policy



Centre Name	
Centre Address	

Policy Name	Financial Management Policy
Policy Number	
Date Created	
Effective Date Adopted by the Board	
Version Number	
Date of Last Version	
Administrator Responsible	
Administrator Contact Information	

POLICY HISTORY

Version Number	Approved by	Revision Date	Author

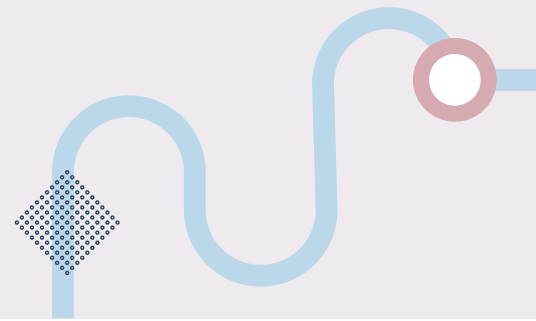
DOCUMENT CONTROL

Document Ref		Title	Financial Management Policy
Version & Date		Author	
Directorate:		Approved by Management	
Reviewed		Change History	

You can fill this out on a screen using Adobe Reader [Download Here](#) or by printing.



Financial Management Policy



Enter Centre Name Here	
------------------------	--

Treasurer	
	INSERT NAME
Centre manager	
	INSERT NAME
Person in charge	
	INSERT NAME

1. PURPOSE & SCOPE

1.1 Purpose

The purpose of the financial management policy is to document the financial policies implemented within the company. The financial management policy also provides information regarding the key roles and responsibilities involved in the review and approval of this document.

1.2 Scope

The financial management policy includes the policies relating to the key financial areas within the company.

2. RESPONSIBILITIES & REVIEW

2.1 Overview

The board defines and formulates the financial management policy document and delegates the implementation of specific policies to the centre manager / person in charge and periodically reviews the operation, activities, and outcomes of the implemented policies.

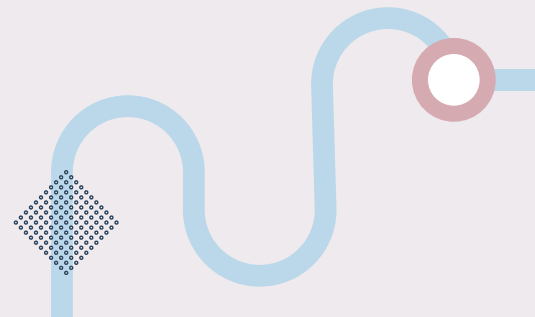
2.2 Responsibilities of the centre manager/person in charge

The centre manager / person in charge is responsible for:

- Ensuring that all accounts are kept up to date and processed in line with this policy
- Ensuring that financial decisions are undertaken in line with this policy and budgets
- Establishment and ongoing review of all financial and IT systems to ensure good governance and financial controls.
- Presenting key financial information as agreed at each board of directors meeting.
- Presenting budgets annually to the board and seek approval from the board of directors.
- Providing documentation requested by the board in relation to any follow up queries
- Ensuring appropriate cover of finance personal during annual leave / unforeseen absences
- Reporting to the board on all financial matters



Financial Management Policy



2.3 Role of the treasurer

The treasurer is a key position in any organisation. The treasurer helps the board navigate the finances for the organisation and reports to the board of directors to ensure that the company can fulfil its mission. The treasurer reports to the board of directors, presenting financial information to the board throughout the year.

The treasurer's role includes tracking the income and expenditure of the company and preparing an annual report for the board of directors, donors, supporters, and any interested public party. The treasurer also needs to know where money is coming from and where money is going.

The main role of the treasurer is to

1. Review financial reports and the annual budget
2. To have oversight of the financial affairs of the company
3. Review and update financial policies and make recommendations to the board of directors
4. Chair the finance and audit committee
5. Liaise with the centre manager / administrator and auditor

2.4 External Auditor

The external auditor is appointed annually at the Annual General Meeting (AGM). They are responsible for the following:

- Production and audit of the annual financial statements.
- Liaise regularly with the centre manager / person in charge and report to the board of directors
- Make recommendations to the board of directors that support good practice and improve the company's financial performance.

The auditor will be subject to re-tendering every 3 years to ensure value for money

2.5 Financial Reporting to the Board

- The appointed treasurer / director will compile a summary report with relevant recommendations at each board meeting.
- The centre manager / person in charge will present detailed financial reports at each board meeting
- All finance reports will be reviewed by the finance and audit sub committee in advance of the board meeting.

2.6 Finance and Audit Subcommittee of the Board

- Chaired by the treasurer / an appointed nominee from the board.
- Other members would normally include the chairperson along with executive and non executive board members

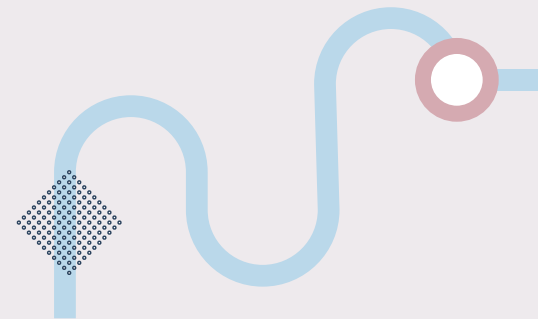
2.7 Responsibilities of the Finance Officer / Administrator

The accounts person will report to the centre manager and is responsible for:

- Ensuring proper recording of all receipts & payments.
- Ensuring that bank reconciliations are completed monthly.
- Submitting quarterly returns, where required to funding agencies.
- Ensuring that all revenue returns are filed, and all other monthly returns are submitted on time.
- Approval of the monthly payroll.
- Follow up to ensure adherence to budgets by budget owners.
- Ensuring all financial policies and procedures are communicated to the responsible employees and regular follow up is conducted to ensure adherence.



Financial Management Policy



- Maintenance of Asset Registers.
- Preparation and presentation of monthly management accounts including variance analysis
- Driving the annual budgeting and/or forecasting process.
- Overseeing the year-end audit process on behalf of the board of directors.

2.8 Segregation of Duties

The centre manager is responsible for ensuring that correct segregation of duties are applied to all financial processes, and is required to:

- Divide responsibilities between different employees so one individual doesn't control all aspects of a transaction.
- Reduce the opportunity for an employee to commit and conceal errors (intentional or unintentional) or perpetrate fraud.
- Be aware that segregation can be circumvented by collusion

2.9 Finance Employees Annual Leave Cover

In order to safeguard the organisation, during periods of annual leave of the financial / administrative staff, back-up personnel who have been cross trained in their duties will perform their tasks. The centre manager / person in charge will monitor any unforeseen leave of all employees in the financial department to ensure compliance.

2.10 Policy Review

This financial policy will be reviewed at least every three years by the board or in the instance that there is a change to relevant legislation/procedures.

2.11 Document Status

This document, once recommended by the board of directors / management cannot be altered without prior board approval. It is the responsibility of the centre manager / person in charge to ensure that necessary amendments are brought to the committee for inclusion as required.

3. BOOKS OF ORIGINAL ENTRY

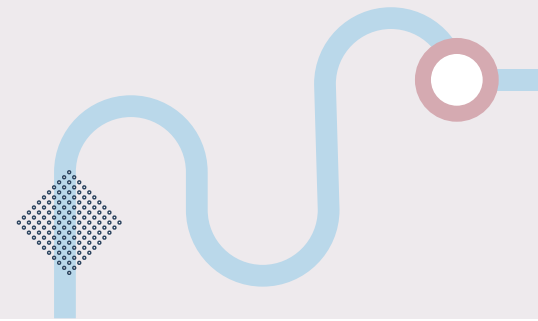
The organisation uses a double entry system.

The computerised accounting package used is	
	ADD ACCOUNTING SYSTEM BEING USED.
The organisation maintains accounting records in a manner that facilitates the preparation of audited financial statements conforming to generally accepted accounting principles (GAAP).	
	INSERT BASIS - ACCRUAL BASIS/CASH BASIS
Adequate documentation is maintained to support all entries posted onto	
	INSERT ACCOUNTING SYSTEM BEING USED.
At the end of each month, the administrator / accounts person prepares a balance sheet, income & expenditure and receipts & payments for the total organisation that will be reviewed by the	
	NAME CENTRE MANAGER / PERSON IN CHARGE

The income & expenditure report will record actual vs. budget.



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The external auditor will be used to provide support on any technical issues.

4. BUDGETS

The board of directors will approve annual budgets.

Draft budgets are presented	
	ENTER QUARTER/MONTH EACH YEAR
Final budgets are approved during	
	ENTER QUARTER/MONTH EACH YEAR
Budgets are prepared by	
	ENTER NAME OF PERSON RESPONSIBLE
Budget will be kept on file and made available for future reference by	
	ENTER NAME OF ADMINISTRATOR

The board of directors are responsible for setting the minimum reserve policy

The board of directors are responsible for the approval of deficits regarding annual budgets.

A report is presented at each board meeting detailing the actual versus budget comparison.

5. BANK

5.1 Authorisation for Cheques & Online Payments

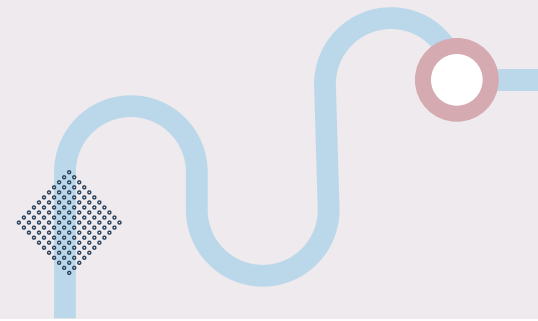
Every bank account has its own unique number and authorised signature

NAME ACCOUNT	INSERT ACCOUNT NUMBER	INSERT NAMES OF AUTHORISED SIGNATURES	INSERT MINIMUM NUMBER OF SIGNATORIES REQUIRED TO APPROVE PAYMENT (1) (2) (3)
NAME ACCOUNT	INSERT ACCOUNT NUMBER	INSERT NAMES OF AUTHORISED SIGNATURES	INSERT MINIMUM NUMBER OF SIGNATORIES REQUIRED TO APPROVE PAYMENT (1) (2) (3)
NAME ACCOUNT	INSERT ACCOUNT NUMBER	INSERT NAMES OF AUTHORISED SIGNATURES	INSERT MINIMUM NUMBER OF SIGNATORIES REQUIRED TO APPROVE PAYMENT (1) (2) (3)
NAME ACCOUNT	INSERT ACCOUNT NUMBER	INSERT NAMES OF AUTHORISED SIGNATURES	INSERT MINIMUM NUMBER OF SIGNATORIES REQUIRED TO APPROVE PAYMENT (1) (2) (3)

Signatures are required for each cheque/online payment as per standard practice.



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Cheques / online payment for values more than approved amount	
	INSERT CHEQUE / PAYMENT VALUE THRESHOLD
Each payment will require a minimum of two authorised approvers one which must be a director of the company	
	LIST NAMES OF APPROVED DIRECTORS WHO ARE SIGNATORIES
Authorised signatories should not under any circumstances approve cheques / payments to one's – self and is monitored by	
	INSERT NAME OF CENTRE MANAGER / TREASURER

5.2 Deposit Bank Accounts

All deposit bank accounts have authorised signatures	
	INSERT AUTHORISED SIGNATORIES
Signatures are required for each transaction to offer protection to the accounts.	
	INSERT NUMBER OF REQUIRED SIGNATORIES FOR ANY ONE PAYMENT

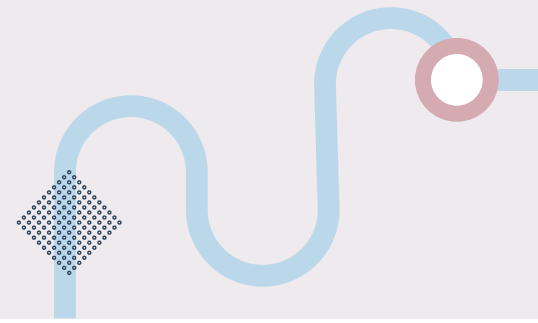
No operational expenditure should occur on the deposit accounts.

5.3 Online Banking Security

The security of the online banking system is vital. The centre manager / administrator must ensure that all necessary procedures are in place to protect the system from misuse. The authorised users for the online banking system are as follows:	
	INSERT NAMES OF AUTHORISED APPROVERS
<ul style="list-style-type: none"> All passwords/ usernames / codes must not be stored in hard copy form in office to prevent unauthorised access. Any non-one-time passwords may be memorised and destroyed rather than stored where they could be accessed. Should be confidential, and never be shared between users. They should be unique to the named authorised users of the Online Banking System. Any separate handheld electronic devices that form part of the banking system should be securely stored by each individual approved signatory 	
	INSERT TITLE OF PERSON / ENTITY RESPONSIBLE
The responsibility for ensuring that segregation of duties (see 2.7 above) is applied to the use of the online banking system lies with	
	INSERT NAME OF PERSON RESPONSIBLE



Financial Management Policy



It is critical to ensure the segregation of duties when using an Online Banking System. Segregation protects possible misuse by any one user and therefore minimises the chance for fraud.

The authorisation of transactions of an Online Banking System should apply the same process to those implemented on a manual paper-based system. See below:

The authorised individuals by payments type are listed below:

Payroll Payments	
	INSERT TITLE(S) OF AUTHORISED SIGNATORIES
Supplier/3rd party Payments	
	INSERT TITLE(S) OF AUTHORISED SIGNATORIES
Travel Expenses Payments	
	INSERT TITLE(S) OF AUTHORISED SIGNATORIES
The administrators on the online bank account are	
	INSERT NAMES OF ACCOUNT ADMINISTRATORS
No password holder may authorise an on-line payment for oneself and is monitored by the centre manager as per standard controls.	
	INSERT NAME OF CENTRE MANAGER / ACCOUNT ADMINISTRATOR

* The on-line banking administrator has the authority to set up new users and set approval limits.

Banking online is to be used for the following:

- Payroll payments
- Supplier/3rd Party Payments
- Travel Expenses Payments
- To assist with completion of the bank reconciliation process.

5.4 Bank Statements

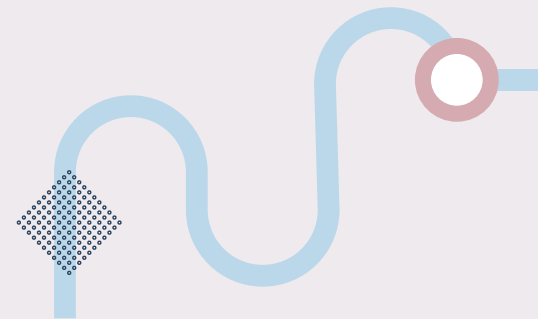
The centre manager / administrator is responsible for ensuring that the organisational bank statements are kept up to date and filed securely.	
	INSERT NAME OF PERSON RESPONSIBLE

The organisations bank statements will form part of the bank reconciliation review by the director / treasurer to coincide with each meeting of the Finance, Audit & Governance Committee (See [Bank Reconciliations](#) below for further details regarding this process).

The External Auditors will review the bank statements during the annual audit.



Financial Management Policy



5.5 Bank Reconciliations

Bank statements will be received directly and filed accordingly	
	INSERT NAME OF PERSON RESPONSIBLE
A monthly reconciliation will be prepared each month	
	INSERT NAME OF PERSON RESPONSIBLE
All payments will be made within 30 days	
	INSERT NAME OF PERSON RESPONSIBLE
All late payments will be resolved as soon as is possible on foot of an action plan to resolve	
	INSERT NAME OF PERSON RESPONSIBLE
Bank reconciliations will be prepared for directors each month in advance of the board meeting	
	INSERT NAME OF PERSON RESPONSIBLE

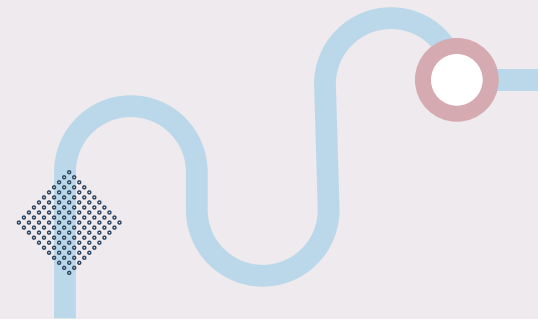
6. PAYROLL

6.1 General

Employees will be paid	
	MONTHLY / WEEKLY / BI – WEEKLY
Each employee will receive a pay slip	
	INSERT HOW THEY WILL RECEIVE – EMAIL / HARD COPY
Payroll is processed using	
	INSERT PAYROLL SOFTWARE NAME OR SYSTEM USED.
Payroll is processed by	
	INSERT TITLE OF PERSON / COMPANY RESPONSIBLE.
Payment of Payroll is approved by	
	INSERT APPROVER'S TITLE(S).
There are a number of key controls which are performed in advance of each payroll payment to ensure payroll is correctly processed	
	LIST CONTROLS PERFORMED, E.G., EXCEPTION REPORTS, ENTER EMPLOYEE BANK DETAILS, ETC.
To ensure objectivity, the key controls are performed by	
	INSERT TITLE OF RESPONSIBLE PERSON OTHER THAN THE PERSON PROCESSING THE PAYROLL.
All new employees must be authorised and signed off by	
	INSERT TITLE OF PERSON APPROVED TO AUTHORISED



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6.2 Time Sheets [Include if relevant]

Employees will be responsible for completing a time sheet on a regular basis.	
	INSERT DAILY / WEEKLY NON SALARY / TIME BASED
Completed time sheets must be submitted to be reviewed for accuracy and approval These are then forwarded on to payroll before	
	INSERT TITLE OF PERSON APPROVED TO AUTHORISE ENTER DAY OF EACH WEEK / MONTH
No payroll payment will be issued without a correctly completed and approved time sheet for employees.	
	SPECIFY -SALARY/TIME-BASED
Incomplete or unapproved time sheets will be returned to the employee and responsible line manager for correction and resubmission	
	INSERT TITLE OF PERSON APPROVED TO AUTHORISE
Payroll will verify the accuracy of the time sheets and process accordingly on the payroll system and final value and details of the payroll payments will be sent to the administrator and manager for final review and approval.	
	INSERT TITLE OF PERSON APPROVED TO AUTHORISE

6.3 Benefits [Include if relevant]

- Payroll will be prepared in accordance with the personnel policies and pension plan.
- All pensions/PRSA's are defined contribution/defined benefit/state other only.
- All contracts have within them a pensions section which meets with the legal obligations under current Pension legislation.
- New employees who bring their existing PRSA with them from a different provider are facilitated fully by the company
- All agreed pension payments reconciled monthly to the monthly direct debit payment by the finance department.
- All employees receive an annual statement directly from the their pension provider
- All pension deductions are itemised on the payslips.

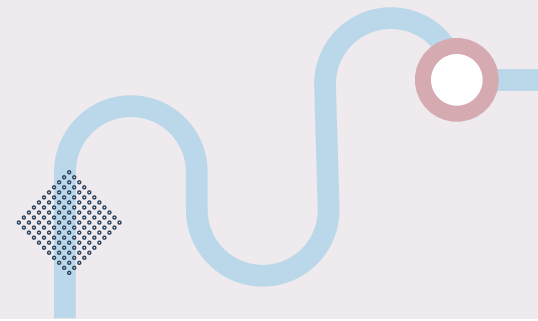
7. CASH AND CHEQUE RECEIPTS

Cash & cheques are stored in a secure location and are lodged to the bank at least weekly. Lodgement receipts are provided to finance for reconciliation. No disbursements will be made from cash or cheque receipts prior to lodgement.

All customers and service users are encouraged to pay by electronic fund transfer (EFT) rather than cash.



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8. PURCHASING

8.1 Operating Expenses/Purchases

Operating Expenses are defined as any cost which is associated with the running cost (e.g. electricity, stationery etc.). The following are the approval amounts and an outline of the process (Example)

Under €99	Manager	Manager Discretion
€100 - €2,999	Manager	One quotation
€3000 - €11,999	Board	Three online prices / quotes
€12,000 – €24,999	Board	Three written quotations
Over €25,000	Board	Open tender advertised online on Active or eTenders
Larger amounts	Board	Any purchase equal to or over €221,000 must follow the EU Procurement Directives. The CEO/Manager/Person in charge will be responsible to ensure that the approval process is fully followed for this category of purchases.

8.1.1 Tender Criteria

In the case where a tender process will apply for a particular purchase or service.

Please apply the criteria of the Most Economically Advantageous Tender (M.E.A.T.) as opposed to lowest cost. The following criteria must be followed when awarding tenders:

- Experience in the provision of the service or item
- Experience or resources being provided (if relevant to tender)
- Evidence of quality of work for previous similar type tender

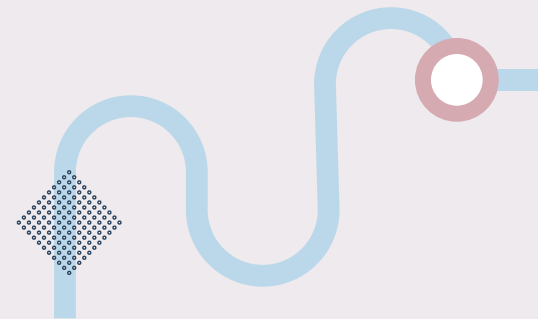
8.2 Payments

8.2.1 Payment Authorisation

All payments must be submitted to the administrator The invoice will be checked, validated against approval (this should be issued in advance). The finance officer will follow up with any queries or discrepancies between invoice and approval Once validated, it will be processed on the accounting system to await authorisation and payment	
	INSERT NAME OF AUTHORISED PERSON
All payments must be approved in advance by	
	INSERT NAME OF AUTHORISED PERSON
Payments will be prepared	
	WEEKLY / BI-WEEKLY / MONTHLY



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8.2.2 Cheques [Include if relevant]

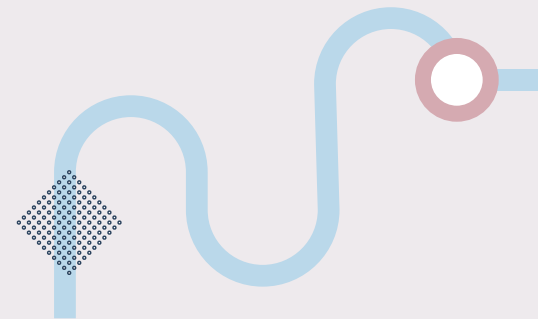
Safekeeping of all cheque books which must be kept in a secure locked location are the responsibility of	
	INSERT NAME OF AUTHORISED PERSON
All cheques for approval will be recorded on the accounting system	
	INSERT NAME OF AUTHORISED PERSON
The cheques will then be presented the centre manager for approval and signature with all back up information attached including invoice, approval in advance etc.	
A second signature will be required on all cheques	
	INSERT NAMES OF AUTHORISED SIGNATORIES

In no event will cheques be made out to cash.

The company does not permit the use of single approval business cards.



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9. CREDIT CARDS / SOLDO CARDS [Include if relevant]

All credit card holders are pre-authorized by the board using the standard application forms required to be submitted to the bank.

The credit card limit is	
	INSERT AMOUNT
Under no circumstances are credit cards to be used for cash withdrawals unless pre-approved in writing	
	INSERT NAME OF PERSON AUTHORISED TO APPROVE
All purchase made by credit card must be entered onto the credit card transaction template providing details as to purpose of each transaction and all receipts to support each transaction to be attached the completed template which is sent to relevant line manager for approval.	
	INSERT NAME OF PERSON AUTHORISED TO APPROVE
Once the template is approved, it is sent to	
	ROLE NAME OR DEPARTMENT.
Who will check and verify each transactions matches the receipt and is approved by the correct manager.	
	NAME PERSON RESPONSIBLE
The authorised person will enter the correct accounting codes for each transaction and once fully validated will be entered on the relevant accounting system	
	ROLE NAME OR DEPARTMENT
A sample of credit card transactions will be selected each month by the treasurer / director and validated against the credit card transaction template to ensure accuracy and adherence to process.	
	INSERT NAME OF TREASURER / DIRECTOR RESPONSIBLE
Any change to the original approved credit limits for credit cards are approved by the board and will be signed by authorised signatures and sent to the bank	
	INSERT NAME OF PERSON RESPONSIBLE

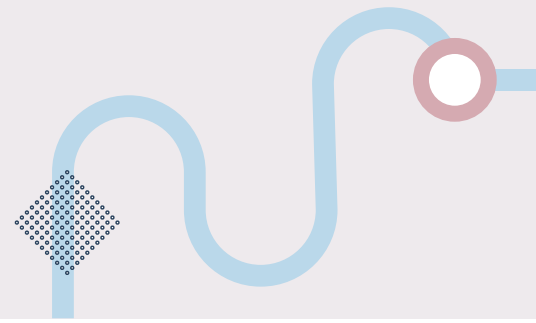
At no time, can an authorised credit card holder delegate the use of his/her credit card to another employee/ director.

The credit card is to be used solely for purchases of the company and in line with the purchasing amounts and approvals detailed above in section 8.

A report will be issued monthly to the Board.



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10. TRAVEL EXPENSES [Include if relevant]

Only employees pre-approved can claim travel expenses. This must be approved on a travel expenses claim form, which outline the purpose, and amount expected.	
	INSERT NAME OF RELEVANT PERSON
Travel expenses claims made by the centre manager or person in charge must be approved by the treasurer / assigned director	
	INSERT NAME OF APPROVED AUTHORISER

Travel Expenses must relate solely to mileage, travel and other pre-approved relevant costs incurred in the performance of duties for the organisation.

Mileage to and from home will not be paid and is considered as a non-work related cost.

Travel can only be paid on presentation of a signed and approved travel claim form.

11. PETTY CASH [Include if relevant]

The petty cash system is designed to provide a speedy and efficient response to the company's requirements for very low value expenses (e.g. milk for the office). Petty cash should not be used for the following:

1. Staff-related expenses
2. General organisational related costs which should follow the standard operating expenses/purchases process
3. Cost which are not legitimately for the organisations use

Cash withdrawals required to replenish petty cash are performed and recorded on the petty cash system (template)	
	INSERT NAME OF PERSON APPROVED
A maximum of is permitted to be kept on the premises at any given time and is covered by insurance	
	ENTER MAXIMUM AMOUNT PERMITTED TO BE RETAINED ON THE PREMISES IN LINE WITH THE COMPANY'S INSURANCE POLICY
A standard petty cash spend template will be completed on a weekly basis which will itemise the opening balance, withdrawals, expenses and closing balance, ensuring all receipts are attached. The balance should be verified by two people and the spend template initialled at the end of each week.	
	INSET NAME OF PERSON RESPONSIBLE
The petty cash spend template must be submitted to the approved person for processing on the accounting system.	
	ENTER WEEKLY / MONTHLY INSERT NAME OF APPROVED PERSON

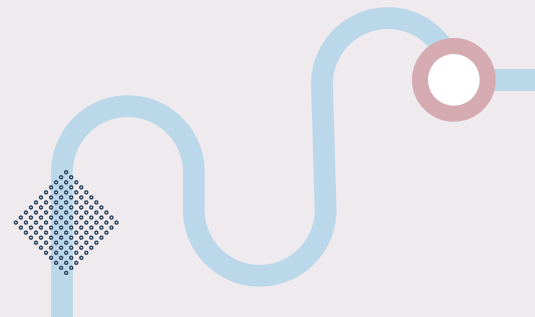
Petty cash should be stored in a secure container and retained in a secure location with restricted access (e.g. a safe or locked cash box).

All petty cash expenditure must have a receipt, which is kept in the petty cash box

The manager / treasurer will conduct random sampling on petty cash receipts to validate and ensure the system is being followed.



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12. PROPERTY AND EQUIPMENT [INCLUDE IF RELEVANT]

12.1 Buildings

Full record of all title deeds to property owned by the company and purchase documentation must be filed at the company's registration office (CRO).

A property register is maintained by the centre manager / person in charge and is updated with any changes as they arise.

12.2 Equipment

Defined as equipment which has a purchase price greater than €0.00 and has a useful life of more than one year.	
The company will maintain a register of all equipment which meets defined criteria above which will include information such description, date of purchase, purchase price and purpose and its location of equipment.	INSERT NAME OF PERSON RESPONSIBLE

A depreciation schedule shall be prepared by the accountant annually in advance the audited financial statements.

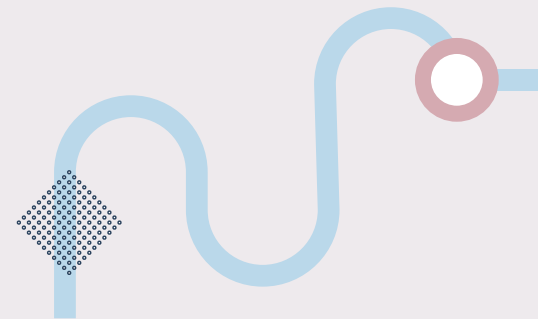
The centre manager / administrator / accountant will record all equipment purchased, depreciation charges and disposals in the accounting system.

12.3 Leases [Include if relevant]

All property or equipment leases must be approved by the board. These will be kept in a secure location.	
	NAME PERSON RESPONSIBLE
Register of assets will be sent to the external auditor annually	
	NAME PERSON RESPONSIBLE



Financial Management Policy



13. INSURANCE [INCLUDE IF RELEVANT]

The insurance policy will provide adequate cover to safeguard the assets of the company including property, public and employer liability, directors' liability and any other insurance deemed necessary.

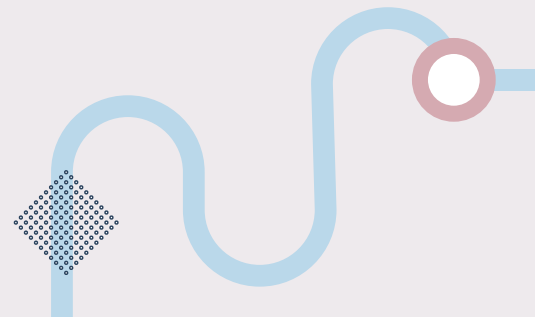
The board will ensure that there is adequate cover to safe guard the assets of the company including property, public and employer liability, directors liability and any other insurance deemed necessary	
	INSERT WHO IS RESPONSIBLE TO CHECK AND FOLLOW THROUGH
The board will ensure there is adequate insurance cover provided to safeguard all company assets. Insurance policies will be reviewed annually before the renewal period commences and will make any necessary amendments which will accurately reflect the needs of the organisation at the point in time. These will be kept on file in a secure location.	
	INSERT WHO IS RESPONSIBLE TO CHECK AND FOLLOW THROUGH
A register of any insurance claims submitted and store in a secure location. - Drawdown of funds relating to each grant and/or state funding.	
	INSERT WHO IS RESPONSIBLE TO KEEP THIS REGISTER
Preparing financial reports for funding agencies as required.	
	INSERT WHO IS RESPONSIBLE
Producing any reports and engaging with other funder requirements	
	INSERT WHO IS RESPONSIBLE

14. FUNDING & GRANTS

The company will ensure compliance to all conditions of each grant or state funding received and will maintain originals of all grant and funding documentation. Where a funding body requires access to financial information for verification purposes all required documentation and supporting information will be provided	
	INSERT NAME OF PERSON RESPONSIBLE



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15. EXTERNAL FINANCIAL AUDIT

The appointed External Auditor will complete an audit of all accounts for the financial year. The financial year runs from Jan - Dec	
	WITHIN IN FIRST/SECOND QUARTER
The treasurer / director will be responsible for forwarding a signed copy of the accounts to the companies registration office on or before the required submission date.	
	INSERT NAME OF PERSON RESPONSIBLE
The board will ensure that a signed copy of the accounts is sent to funding agencies if required as part of their terms and conditions of funding / grants contained in the SLA	
	INSERT NAME OF PERSON RESPONSIBLE

The audited accounts will be presented to the board during the second quarter each year. The board will recommend the audited accounts for adoption by the members at the AGM.

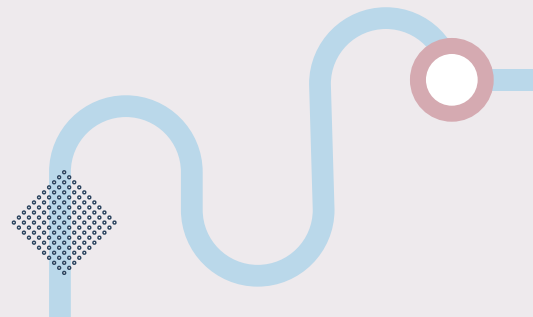
15.1 Taxation

We are a registered employer and file and pay PAYE/PRSI on a monthly basis.

The company is / is not exempt from corporation tax	
	IS/IS NOT
The company is / is not registered for VAT	
	IS/IS NOT
Technical taxation advice from a pre-approved 3 rd party qualified tax advisory company on any tax issues that may arise and should inform the board accordingly.	
	INSERT WHO IS RESPONSIBLE
The board will ensure the company is fully tax compliant	
	INSERT WHO IS RESPONSIBLE
The company will ensure that a current tax clearance certificate is held at all time	
	INSERT WHO IS RESPONSIBLE



Financial Management Policy



APPENDIX 1: FINANCIAL RESERVE POLICY – UNRESTRICTED FUNDS

This reserves policy was reviewed and ratified at a meeting of the board of directors of	
	INSERT COMPANY NAME INSERT DATE OF REVIEW

This reserves policy is to be reviewed annually by the directors of the aforementioned organisation.

The Purpose

The purpose of the operating reserves is to ensure the stability of the ongoing operations of the company. This reserve is intended to provide an internal source of funds for unforeseen situations.

Our board must be able to justify the reserves held to the stakeholders	
	INSERT COMPANY NAME

This financial reserves policy has a dual purpose:

1. To ensure that board members adequately consider how they will secure and sustain the company's viability and future.
2. To give reassurance to the general public and funders that the company intends to use all of the financial support that it receives.

Policy Statement

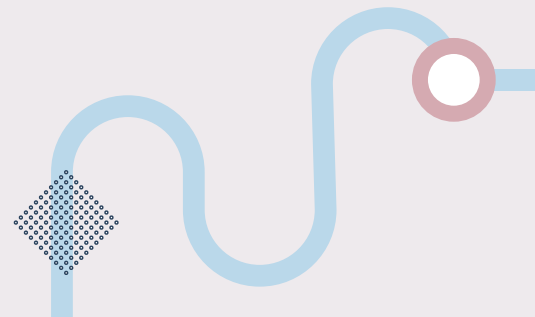
Reserves (unrestricted funds) are set to a target minimum of	€
	INSERT AMOUNT
which equates to (e.g., 3 months) operating expenses of what is committed to in the current financial year	
	INSERT DURATION COMPANY NAME

Designated or restricted funds are presented separately in our annual accounts and financial statements. Reserves are defined as unrestricted funds that are freely available to spend on any of the company's main or subsidiary objects. It excludes restricted income funds, tangible fixed assets and any investment funds. Reserves should be held to service an unexpected need for funds, covering unforeseen day-to-day operational costs, a shortfall in income or to fulfil its obligations. As a company limited by guarantee, reserves are set according to our budgeted income and expenditure. It is intended to mitigate uncertainty relating to our cash flow and to ensure that there are sufficient reserves to cover any shortfalls against income, in relation to expected grant awards.

Reserves will be funded from surplus income. The board of directors may from time to time direct that a specific source of revenue is set aside for reserves. Examples could include bequests or special grants.



Financial Management Policy



The board has set a target reserve which requires:

1. That reserves are maintained at a level which ensures that, the companies core activities can continue during a period of unforeseen difficulty up to and including a period of 13 weeks.
2. A proportion of reserves is maintained in a readily releasable form for wages and unforeseen circumstances.

The company places great emphasis on the importance of planning and reserves are factored into the annual financial planning of the company. The board has set a reserves policy which requires the following:

1. That reserves should be built up and maintained on a monthly basis and transferred into a separate bank account with the balance held in the working account.	
	CONFIRM AMOUNT TO BE TRANSFERRED MONTHLY

The reserve transfers detailed in this policy below will accumulate in the bank accounts. Working capital reserves will be held in the operating accounts to which they were built up from.

Reserves will only be used for the purposes set out in this document

Amendments to this policy can only be approved by the board of directors

The reserves set aside take the following into account:

- Risks associated with each stream of income and expenditure that is not provided for in the annual projections.
- Unforeseen circumstances in relation to major repair within the facility
- Organisation's commitments.

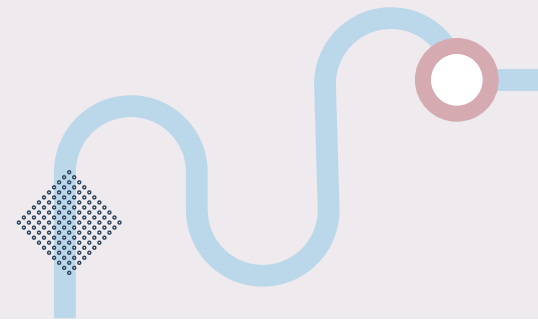
The unrestricted reserve for a 13 week period is designated and allocated to meet the above risks and contingencies and are summarised as follows:

The following reserve graph has been developed by our board.

Sinking Fund For the Building	Covers unforeseen major capital expenditure or repairs	€	€
Capital Reserve	Capital reserves committed	€	€
Working Capital (cash flow)	To cover cost of payroll for all staff while waiting for expected monies	€	€
Development and Other Contingencies	Day to day operating running costs	€	€
TOTAL RESERVE		€	€



Financial Management Policy



The board are aware that it is best practice to have a thirteen week reserve in the account.

The current reserves plan as of 31 st December	
	INSERT YEAR - €XX,XXX,
Based on actual expenditure for the year. The board have set a realistic target of 13 weeks by the end of next three years.	
	INSERT YEAR
The following personnel have been appointed to the Finance Sub-Committee	
	INSERT NAME OF DIRECTOR - CHAIRPERSON INSERT NAME OF COMMITTEE MEMBER - (EXECUTIVE AND NON EXECUTIVE DIRECTORS)
The following personnel have been appointed to the Finance Sub-Committee	
	1. NAME OF COMMITTEE MEMBER - CHAIRPERSON 2. NAME OF COMMITTEE MEMBER - (NON-VOTING ADVISOR)

Reporting of Reserves Policy

Reserves are held openly and presented in a transparent way.

Reserve levels should be reported as part of the management accounts and in full at least bi-annually to the board directors each year. The centre manager / person in charge is designated to raise any issues in relation to excessive reserves directly with the board of directors. The treasurer is responsible for assuring that the reserve funds are maintained and used only as described in this policy. Records should be kept detailing the use of reserve funds and the board of directors should approve a plan for the replenishment of reserve funds if required to meet the minimum target amount stated in this policy.

The policy will be reviewed once a year when budgets and activity for the year is planned.

The reserves policy will be stated in our annual report. This will include:

the level of reserves and an explanation of why they are held.

where funds are designated, the amount and purpose of the designation, and.

Where designated funds are set aside for future expenditure, the likely date of this.

Expenditure of Reserves

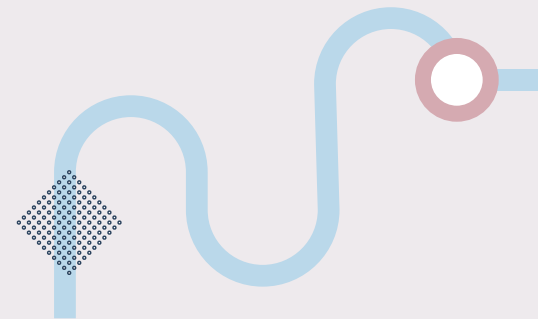
Reserves will be carried forward to the first quarter of the following financial year, at which stage the board of directors will decide on whether cash flow permits expenditure. Use of reserves will be authorised by special resolution of the board of directors, based on a written description and analysis for use of the funds, and plans for replenishment to restore the reserve funds to the minimum target amount stated in this policy.

Excessive Reserves

Reserves which exceed twice the minimum target amount stated in this policy will be expended either through one-off projects or initiatives or through increased funding to existing client centred services.



Financial Management Policy



Investment of Reserves

Excess liquidity will be placed in a high interest account for a fixed term period on recommendation by the auditor and approval by the board of directors.

Review of Policy

This financial reserves policy will be reviewed annually at the annual budget meeting.

Signed

Chairperson / Treasurer

Centre Manager / Person in charge

