**Sample Financial Policies and Procedures**

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| **Policy Area** | **Key things to include** |
| Accounts | Setting out responsibilities for keeping accounts and for reporting to regulators and funders. |
| Handling cash | Procedures for recording and banking income, and for reducing risk of theft. |
| Cheques | Setting out who signs and countersigns cheques and for what amounts. There should also be a process for handling and banking incoming cheques. |
| Budget setting | Who prepares and presents budgets for governing team approval, and when. |
| Ordering and payment | Who can order supplies and services and authorise payments at various levels. Who deals with invoices and when. How the organisation will apply Value Added Tax rules. |
| Financial reports | Setting out reports the governing team will receive, when, in what format and from whom. |
| Payroll and expenses | To ensure procedures are in line with ‘Pay As You Earn’ personal tax rules. There should also be a process for claiming, verifying and authorising expenses and floats. |
| Reserves | This will set a target and process for building reserves, based on an assessment of financial risk. |
| Assets | To establish an inventory, and a replacement and maintenance schedule, for all equipment. |
| Fundraising | To set out how and from whom the organisation will fundraise (Check charity law rules if necessary). |