

## Finance Policy

This policy was written with input from Open AI's ChatGPT

This policy was created in **November 2024**

This policy was last updated in **November 2024**

This policy is due for review no later than **November 2025**

### 1. Purpose and Scope

- a. The purpose of this Finance Policy is to outline the principles, procedures, and controls governing financial management at Selby CoderDojo to ensure transparency, accountability, and legal compliance with the Charity Commission's regulations and UK law. This policy applies to all trustees, volunteers, and stakeholders involved in the financial operations of the charity.

### 2. Financial Governance

#### a. Trustees' Responsibilities

- i. The trustees are collectively responsible for the financial health and governance of Selby CoderDojo. The trustees shall:
  1. Ensure the charity's funds are used in line with its charitable purposes and within the restrictions of secured grants.
  2. Monitor the charity's financial performance regularly to ensure that spending stays within budget and aligns with grant requirements.
  3. Ensure compliance with all relevant financial and legal obligations, including reporting requirements and independent financial reviews.

#### b. Financial Accountability

- i. All financial decisions should be transparent and properly documented. All trustees must have access to financial records and accounts at all times.
- ii. The Dojo Champion will ensure that all expenses align with the approved budget and any relevant grant agreements.

### 3. Financial Planning and Budgeting

#### a. Annual Budget

- i. Each year, an annual budget will be prepared by the Dojo Champion in consultation with the trustees. The budget will outline expected income and expenditure for the financial year, including:
  1. Income: Expected grants, donations, and other funding sources.
  2. Expenditure: Costs associated with running sessions, purchasing equipment, and other operational costs.

- ii. The budget will be shaped by the grant funding that has been secured, and shall act as the financial framework for the year. Any significant deviation from the budget must be reviewed and approved by the trustees.
- b. Reserves Policy
  - i. Selby CoderDojo will seek to build and maintain a small reserve fund to provide financial stability and security in unforeseen circumstances.
  - ii. The goal is to cover at least 12 months of rental costs, which are the primary expense of the Dojo.

## 4. Income Management

- a. Grant Funding
  - i. Selby CoderDojo is primarily funded through grants. The following guidelines apply to grant funding:
    1. Grant Alignment: All expenditure must comply with the specific terms and conditions of each grant. The Dojo Champion is responsible for ensuring all spending is within grant guidelines.
    2. Grant Reporting: A tailored financial report will be prepared for each grant in accordance with the grant provider's requirements. The report will be drafted by the Dojo Champion, reviewed by the trustees, and submitted to the grant provider.
- b. Donations
  - i. All donations will be recorded in the financial accounts. The charity will provide donors with appropriate acknowledgment and comply with any donor restrictions on funds, as long as they align with the charity's mission.

## 5. Expenditure Management

- a. Spending Authority
  - i. Purchases for any single item up to £300:
    1. The Dojo Champion has the authority to make purchases up to £300 per item, provided the expenditure aligns with active grant agreements.
  - ii. Purchases for any single item above £300:
    1. Must be approved by a majority of the trustee board, and approval must be documented via email.
    2. At least 2 quotes should be obtained for the same (or similarly specified items).
- b. Payment Methods
  - i. Debit Card: The charity holds a debit card, which should be used wherever possible to ensure payment efficiency and accurate tracking.
  - ii. Bank Transfers: Payments made via the bank account must be authorised by two trustees.
    1. When the Dojo Champion (or another volunteer) requests reimbursement, they must not be involved in approving the bank transaction.
    2. In cases where the Dojo Champion is reimbursed, two other trustees will handle the payment process: one trustee initiates the payment, and another will approve the payment.
    3. On a technical level, this is handled by the bank's dual authorisation system.
  - iii. Petty Cash - We do not operate a petty cash system.
  - iv. Cheques - We do not have a cheque book.

c. Invoice and Receipt Management

- i. All payments must be supported by valid invoices or receipts, which should be uploaded to the charity's google drive account before any reimbursement is made.
- ii. All trustees must have online access to the accounting system for full transparency.

## 6. Financial Controls and Transparency

a. Monthly Reporting

- i. The Dojo Champion will maintain monthly accounts that log all income and expenditure, including uploads of all receipts
- ii. Trustees will have continuous access to these reports, which will be updated regularly to ensure the charity's financial health is transparent and well-documented.

b. Approval of Expenses

- i. Any expense incurred must have prior approval if it's outside any grant agreement.
- ii. Per section 5, a majority of trustees must approve any spending over £300 via email, and any trustee directly involved in a transaction cannot approve their own expenses.

c. Expense Reimbursement

- i. Reimbursements for out-of-pocket expenses will be made only after receipts have been submitted and uploaded to the Google Drive account.
- ii. Trustees and volunteers should submit expense claims in a timely manner, ideally within 90 days of the expense being incurred.

## 7. Fraud Prevention and Risk Management

- a. The charity will implement fraud prevention measures, including multiple levels of approval for payments and a transparent reporting system accessible to all trustees.
- b. Financial risk assessments will be conducted annually as part of the independent financial review process to identify and mitigate potential risks to the charity's finances.

## 8. Financial Reporting and Review

a. Annual Financial Review

- i. Selby CoderDojo's accounts will be independently reviewed on an annual basis, in line with the Charity Commission's requirements for small charities. This review will ensure compliance with UK charity laws, grant agreements, and general financial best practices.

b. Charity Commission Reporting

- i. As a registered charity, Selby CoderDojo will file an annual return and financial report to the Charity Commission.

## 9. Amendments to the Finance Policy

- a. This finance policy may be amended by the trustees to adapt to the evolving needs of the charity or changes in legal requirements. Any amendments must be approved by a majority of trustees and documented accordingly.