

FINANCE AND RESERVES POLICY

I Purpose

- 1.1 The Purpose of this policy is to set out, in clear and transparent terms for the benefit of its members, the approach that The Eton Community Association (ECA) takes to the management of its finances in general and, specifically, its policy on holding reserve funds such that it can maintain and sustain a healthy financial position in relation to its aims and objectives.

II Collection of income

- 2.1 The ECA collects money through donation and event ticket sales. The committee members decide on expenditure items and collect donations from appropriate sources. The policy adopted by the Committee is to organise events and agree a ticket entry cost with the intention of creating an event surplus that is put toward funds for future usage and events.

III Administration

- 3.1 The ECA holds a current bank account for the administration of regular expenses and events together with a reserve interest bearing account to hold capital funds which are not required for regular requirements or events.
- 3.2 The Bank accounts shall hold the signed authority of at least three committee members and cheques will require the signature of two of those authorised.
- 3.3 The ECA committee shall appoint a Treasurer from the committee members who shall become an official Officer of The ECA and be responsible for recording and administering income and expenditure.
- 3.4 The Treasurer shall administer the finances and accounts in accordance with Clause 5 of the Constitution, which states:
 - 5. Finance**
 - (a) Any money obtained by the Association shall be used only to fulfil the aims and objectives of ECA.
 - (b) Any bank accounts opened for the Association shall be in the name of the ECA.
 - (c) Any cheques issued shall be signed by at least two of any three nominated signatories. Any expenditure over £50 needs to be authorised by a majority of the Committee.
 - (d) The Committee will be responsible for ensuring that the Association stays within the budget.
- 3.5 The Treasurer shall present a report of the finances to both the ECA Committee and the ECA Members as directed by the Chair.
- 3.6 The Committee, or the Treasurer with majority Committee approval, has the authority to delegate expenditure within the limits of clause 5 (c) of the Constitution referred to above to a specific individual or sub-group as and when required.
- 3.7 The Committee shall appoint an Auditor with a banking, accountancy or professional financial background to audit the accounts annually which must then be presented to the Committee and members at the AGM for approval.

IV Payments

- 4.1 Any cheques issued shall be signed by at least two of any three nominated signatories. Any expenditure over £50 needs to be authorised by a majority of the Committee.

V Reserves

- 5.1 The ECA shall have a Reserve interest bearing bank account in the name of the ECA with at least three authorised signatories, and all transfers or payments shall be signed by at least two of any three nominated signatories.
- 5.2 The Committee shall from time to time establish a suitable minimum level of reserves taking into account the anticipated income and expenditure required over the coming months. The initial reserve shall be a minimum of £3,000.
- 5.3 The Treasurer shall, as and when appropriate and with the authority of the majority of the Committee be able to increase the level of reserves.
- 5.4 Additionally, the Committee will undertake an annual review of the approach to and amount of reserves and agree and approve any adjustments into and out of the reserves. The annual review will normally be at the final Committee meeting towards the end of each calendar year.

Policy Approved: March 2018