



**Accountable
Now**

GLOBAL STANDARDS LOCAL TRUST

Financial Management Framework



1. Introduction

The purpose of this financial management framework is to describe and document how Accountable Now wants its financial activities to be carried out. Through this policy, Accountable Now seeks to carry out the organisation's tasks in the most effective and efficient manner, while remaining accountable to its members, partners, donors and the community in general.

In order to accomplish this, Accountable Now commits to providing accurate, timely and comprehensive financial data for internal and external use by the Executive Director and the Board of Directors.

2. Responsibilities and Authority

Accountable Now's Board of Trustees is ultimately responsible for the financial management of the organisation's activities. The Treasurer is authorised to act on the Board's behalf on financial matters when action is required.

The Executive Director is responsible for the day-to-day financial management of the organisation. The Board authorises the Executive Director to hire and supervise staff and independent consultants, pay bills, credit card management, deal with cash on hand management, receive funds, and maintain bank accounts.

All mandates relating to banking, including access to bank accounts, change of signatures, authorisation related to credit cards and credit card transactions, must be signed by the Executive Director.

Approval of purchases

Expenditures within the agreed budget, up to 500 €, must be approved, prior to purchase, by the Executive Director and in absence the Programme Manager. Expenditures over 500 € up to 1.000 € must be approved, prior to purchase, by the ED. For expenditures over 1.000 € please refer to Accountable Now's [Procurement Policy](#).

Accountable Now's Treasurer or the Board in their quarterly financial reviews must approve in advance expenditures that will result in an overall excess spending of 3% or more of the entire budget.

Invoices and wire transfers are carried out by the Centre's Finance Officer.

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Approval of expenses

Expenses will only be reimbursed upon the presentation of valid receipts together with a completed Accountable Now reimbursement form. This form must be signed by the individual and line manager.

Expenses incurred by the Executive Director must be approved retrospectively every 6 months by the Treasurer; an email from the Treasurer will suffice as approval.

Expenses cannot be approved by the person claiming them.

In the event that it was not possible to obtain a receipt for an expense, due to e.g. malfunction of ticket machines, the person has to fill out the replacement receipt form. Replacement receipts up to 500 € need to be approved by Accountable Now's Executive Director and in absence by the Programme Manager. Replacement receipts over 500 € need the approval of the ED.

Guidelines for travel and other expenses

When away for work-related reasons, Accountable Now will reimburse travel expenses of staff members according to the regulations and procedures of the [Travel Guidelines](#).

Additionally, if a personal credit card is used for business purposes, bank charges can be claimed back upon presentation of the relevant credit card bill.

Furthermore, staff shall always ensure that their travel and purchases are in line with Accountable Now's [Environmental Policy](#) and [Procurement Policy](#).

Banking

Because Accountable Now is hosted by the International Civil Society Centre, the Centre's Finance Manager (FM) is the liaison person for banking matters. The Manager has full online viewing rights to all bank accounts, has access to execute transfers for Accountable Now and requests relevant forms for banking access for other users and/or new credit cards.

Nonetheless, every form must be signed by Accountable Now's Executive Director. During periods of absence, the Executive Director may delegate authority to Accountable Now's Programme Manager to avoid interruptions in the process of day-to-day payments and receipts.

Information relating to banking is kept in hard copy by Accountable Now's Secretariat. The Executive Director and Programme Manager keep an up-to-date electronic overview of login details, card details, pins and secure codes. This is saved in a password-protected document.

Any violation of the above guidelines may result in consequences for the involved Accountable Now/Centre's team member's employment. If there is evidence that users are not adhering to the

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guidelines set out in this policy, the employee will receive a warning, either orally or in writing as appropriate. Severe or repeated cases of violation of this policy may lead to dismissal.

Transfers

Any payments made from Accountable Now's account must be preceded and evidenced by an authorised invoice. Invoices must contain both the Programme Manager's and the Executive Director's signatures. Invoices can also be authorised via email. This evidence must be saved in electronic format and it must also be printed out.

Credit Card

Credit cards may not be used for personal expenses. For items or services booked with Accountable Now's credit cards, Accountable Now's Executive Director shall be immediately notified and a copy of confirmation and/or receipt of payment shall be provided.

Accountable Now team members can request to use the credit card for Accountable Now-related purposes; these requests and approval of requests must precede any such credit card transaction. In the case of transactions not exceeding 500€. Accountable Now's Programme Manager's authorisation suffices; in all other instances approval is required from the ED.

Petty Cash

Petty Cash is intended for acquiring small items up to 100 €. Items/services above this amount should be paid via transfer where possible.

Specific extra cash floats (for events or travels etc.) have to be formally requested via a petty cash advance form and need to be approved. In case of the cash float not exceeding 500 € Accountable Now's Programme Manager's authorisation suffices; in all other instances approval is required from the ED. The person signing for the cash is responsible for ensuring that cash and receipts are returned as soon as possible after the event. No further cash may be issued to that person or another person in the same department for a similar purpose, unless the previous cash has been accounted for.

All cash to staff has to be signed for and receipts must be provided. It is each individual's own responsibility to complete the appropriate form, attach the receipt and collect the money. It is specifically recorded in this policy that no reimbursements will be made without the completed form and valid receipt.

As mixing money or receipts from different petty cash sources creates accounting problems, in case of real emergency, where another cash float has to be used, a clear record must be kept, and immediately brought to Accountable Now's Executive Director's attention.

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Overseas Payments

Since Accountable Now is a UK charity and is also based in the European Union, when conducting overseas payments there are several things that need to be done to comply with the relevant legislations.

Before hiring an external overseas consultant, make sure that the service provider is registered in their country of operations. This is relevant because they will be responsible for paying taxes for the service provided in their country of residence. Do a negative search on the internet using both the name of the service provider and the company to identify any complaints. Finally, make sure that the work that the consultant has been assigned to undertake is in line with their company's mission.

If the service provider does not have a company and is registered as self-employed, it is important to check the [HMRC checklist](#) to identify what is the tax status of the consultant and Accountable Now's obligations.

Before using the checklist, make sure you know:

- the worker's responsibilities
- who decides what work needs doing
- who decides when, where and how the work's done
- how the worker will be paid
- if the engagement includes any benefits or reimbursement for expenses

When you make or receive any transfer of funds, it is essential to have 'complete information' about the payer (who is making the payment) and payee (who is receiving the payment) and send this along with the transfer of funds. This applies to all transfers of funds in any currency.

Complete information about the payer must include their:

- name
- full postal address, including postcode
- account number or a unique identifier which will allow the transaction to be traced back to them

If you do not have the payer's full postal address, you can include either their:

- date and place of birth
- customer identification number

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- national identity number, for example, a passport number

Complete information about the payee must include their:

- name
- account number or a unique identifier which will allow the transaction to be traced back to them

The payee's bank account must be under the person's name. In some cases, you may need to verify the complete information. You must do this using documents, data or information from a reliable and independent source such as:

- a passport
- a photocard driving licence
- documents issued by a government department

As a payment service provider, you must verify the complete information of a payer or a payee if either:

- the transfer value is €1,000 or more
- any part of the transfer is funded by cash or anonymous e-money

If there are multiple transactions of less than €1,000 which appear to be linked, you must check how much the linked transactions add up to. If they add up to €1,000 or more, you must verify the complete information of the payer or payee.

Reserves

Operational reserves are held to ensure that Accountable Now operates effectively and is financially sustainable. They act as a safety margin and allow for flexibility in managing Accountable Now's resources. The calculation of the required level of reserves is an integral part of the organisation's planning, budget and forecast cycle.

The amount of reserves that Accountable Now needs to have is calculated on the basis of being able to cover six months of operating costs. **Accordingly, the most appropriate level of reserves should be adapted annually to be kept at the level of 50% of the total amount budgeted to cover the Secretariat's basic costs, which include staff costs and overheads.** In the case of Accountable Now's Reserves, the Board of Trustees must approve any use of the cash reserve fund.

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For more information on reserves, see Accountable Now's [Reserves Policy](#).

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