



Reading Football Supporters' Society Limited,
Registered Office: c/o KnightGoodhead,
7 Bournemouth Road, Chandler's Ford,
Eastleigh, Hampshire, SO53 3DA.

www.star-reading.org

FINANCE POLICY

Date of Review	Reason for review	Amendments
12/05/2015	New Policy Approved	None
18/05/2016	Periodic review	Minor changes to format
08/06/2017	Periodic review	Small addition to para. 3.2
12/07/2018	Periodic review	Additional paras. 9 and 10
09/01/2019	Periodic review	Revised or new Paras. 3.4., 5.1., 5.2., 6.1.
11/03/2021	Periodic review	New sub-para. 5.2.5 inserted
12/10/2023	Periodic review	Redrafted with simplified language. New sections added: 3) Finance roles; 4) Accounting period and reporting requirements; 5) Accounting procedure; 13) Internal controls. Revised 8.2.4. Section 9 amended to auditor being independent examiner Section 11.7 updated to reflect HMRC rates may change. Annex 1 Approval required for £5001 - £24999(i) amended to Board Decision

1. Introduction

This document is drafted in accordance with the Rules of Reading Football Supporters' Society Limited, approved at the 07 September 2023 AGM. The Society Board passed a resolution to initially adopt this policy at a meeting on 12th May 2015 and the membership approved the first iteration at the Annual General Meeting on 3rd September 2015.

The purpose of this policy is to ensure that:

- 1.1. we promote a culture of prudence, governance and control over the Society's funds.
- 1.2. we have have a system to approve spending and get quotes and bids for buying goods and services. The system includes the level of authority needed for approving expenditure and the requirements for getting quotations and tenders. You can find the details of the system in Annexe 1 to this policy.
- 1.3. we keep, check and audit the Society's accounts and financial affairs.
- 1.4. Members, Society Board Members and Co-opted Members who do duties and activities for the Society can get reimbursed for any personal spending they incur while doing those duties and activities.

2. Definitions

- 2.1. We have defined the terms we use in this policy in a separate [Definition of Terms document](#). You should read that document together with this policy.

3. Finance roles

- 3.1. The finance roles are ideally filled by someone with a finance background, such as a bookkeeper or accountant. However, if no one with this background comes forward, the society may wish to seek advice and support from auditors or other external accountants should the need arise. It is important that the outgoing treasurer agrees to a handover period.

4. Accounting period and reporting requirements

- 4.1. The accounting period is annually up to 30 June. The accounts are prepared under the provisions of section 1a "small entities" of Financial Reporting Standard 102 and the Companies Act 2006, consistent with requirements in Section 80 of the Cooperative and Community Benefit Societies Act 2014. We are registered with the FCA under reg number IP29371R. We have a statutory requirement to submit the accounts and annual report to FCA 9 months after the year-end. The Treasurer will do this on behalf of the society. There is currently no reporting requirement to HMRC, however, the Treasurer should ensure that any future reporting is carried out as necessary on a timely basis.

5. Accounting procedure

- 5.1. The treasurer will maintain the financial books and records on software that complies with the current requirements of both the Society and external reporting. The treasurer will ensure that these records are up-to-date on a monthly basis and will make them available for inspection by any (board) member upon request. For more information on maintaining these records, please refer to the procedure/best practice document.

6. Bank Accounts

6.1. The Society will keep the necessary bank accounts to make sure that it can do all of its business efficiently and effectively, while also protecting the Society's funds from unnecessary bank charges and overdraft interest. The Society's Board must give express prior consent before the Society can borrow any money from the bank.

6.2. The Society will keep a separate bank account for small revenue and emergency spending of up to £1000. The bank account will make it easier to buy goods, equipment and services for the Society and provide a way of getting funds in case of an emergency. Such an emergency may include incidents that happen during away coach travel. The Treasurer will keep the credit balance of this account at no more than £1000 plus planned spending. Other than spending in case of an emergency, all spending using this bank account must:

6.2.1. be authorised in advance according to Annexe 1;

6.2.2. be advised to the Treasurer; and

6.2.3. be reported to the Society Board.

You must advise the Treasurer within 24 hours of any spending in case of an emergency.

6.3. Other than on the bank account for revenue or emergency spending of up to £1000 as specified above, the Society will have bank mandates that require any cheque issued by the Society or authority to the bank to pay away funds to have the signature of, or be authorised by two Officers of the Society.

6.4. We can issue debit cards to bank signatories and the Operations Manager for spending as specified above.

7. General provisions

7.1. All money collected on behalf of the Society must be either sent to the Treasurer for entry into the Society's Bank Account or put in the Society's Bank Account with the Treasurer's permissions. A receipt must be provided to the Treasurer as soon as it can. This is a strict rule with no exceptions..

7.2. If someone is appointed to manage some or all of the Society's property, they can use the Society Board's powers as needed to do their job. Their appointment document will say what they can do.

7.3. Officers of the Society can approve spending up to £1000 on one thing, following Annexe 1. But they must tell the Society Board how much they have spent..

7.4. You must record all cash donations and payments on a form that the Treasurer and the Society's Auditor agree on.

8. Finance report

8.1. The STAR Treasurer will make a yearly Budget for the next year until 30th June. They will show it to the second Board Meeting after the AGM (usually in October) for approval. The Budget may change after the annual planning meeting, depending on the decisions made. The Budget will be shown with the actual figures on each monthly Board finance report to help keep track of them.

8.2. The Treasurer will give a monthly report to the Society's Board for approval at the next Society Board Meeting. The report will be dated for the last day of the previous month and will show::

8.2.1. Income and spending for the year so far in an Income and Expenditure account with a detailed summary of spending;

8.2.2. Details of debtors and creditors and how long they have been owed or owing;

8.2.3. Cheques and bills that have not yet been paid;

8.2.4. The balance of all bank accounts, with copies of the bank statements to be provided by the Treasurer within 10 working days if requested by any board member;

8.2.5. STAR debit card transactions in the previous month;

8.2.6. Details of the acquisition or disposal of the Society's Assets;

8.2.7. Spending up to £1000 on single items approved by the Officers of the Society.

8.2.8. A Declaration of Expenses by members.

8.2.9. The yearly Budget as per 5.1 above.

9. Financial examination

9.1. We must appoint an independent examiner under Section 83 of the Co-operative and Community Benefit Societies Act 2014 and Section 485 of the Companies Act 2006 to undertake an independent examination of the Society's accounts and balance sheet for each financial year.

9.2. The Society Board will prepare for independent examination every year ending on 30 June:

9.2.1. an income and spending account or accounts that:

9.2.1.1. covers the Society and any subsidiary company or society for that year; and

9.2.1.2. shows the true and fair picture of the income and spending of the Society and any subsidiary company or society for that year;

9.2.2. a balance sheet that shows the true and fair picture of the state of the Society and any subsidiary company or society at that date..

9.3. The independent examiner will make a report to the Society on the accounts they checked and on the income and spending account or accounts and the balance sheet of the Society for that year. We will present the report to the Society's Annual General Meeting..

9.4. At the Annual General Meeting, the membership will be asked to approve the reappointment of the independent examiner to act for the next financial year. The membership will also have the right to remove the independent examiner if necessary.

10. Investment and Borrowing

10.1. The Society can invest its funds in the ways allowed by the law and with the Society Board's permission. We can invest::

10.1.1. in the shares of any company or society;

10.1.2. in any way that the Act says we can;

but we cannot be invested in any other way.

10.2. The Society can borrow money on the terms that the Society Board agrees on. But any borrowing that would need a big part of the Society's income to pay it back, or that would use the Society's assets (and/or any subsidiaries) as security for the borrowing, must have the approval of the Society in a general meeting.

11. Travel, Subsistence and Expenses

11.1. The Society knows that Members, Society Board Members and Co-opted Members may spend money when they go to meetings or do other things for the Society. They should be reimbursed accordingly.

11.2. We do not expect Members, Society Board Members and Co-opted Members to claim for travel or food for meetings in the Reading area (unless not claiming stops them from coming). You cannot claim for travel or food for going to Society general meetings, social events and Fans' Forums that the Society organises.

11.3. The Treasurer can pay back any reasonable expenses (up to the amounts in paragraph 11.7) that Members, Society Board Members and Co-opted Members spend. They do not need the Society Board's permission, but they must tell the Society Board how much they paid.

11.4. There will be an item "Declaration of Expenses" in the Treasurer's report for each Society Board meeting. The Treasurer can only pay expenses that have been or will be declared at a Society Board Meeting.

11.5. The Treasurer will make an Expenses Claim Form for Members, Society Board Members and Co-opted Members to fill in and send with receipts (if needed) when they claim their expenses back.

11.6. The Society expects Members, Society Board Members and Co-opted Members to be sensible about travelling, and think about the costs and the practicalities of the different ways of travel (including car sharing).

11.7. The rates that can be claimed for Travel and Subsistence are the official HMRC rates and if these are adjusted new rates will be applicable. As of January 2023 these rates are::

11.7.1.the cost of a standard class ticket for rail travel. We expect, where possible that “Advance” tickets are purchased..

11.7.2.if you use your own car for travel, £0.45 for each mile you travel between your home and the venue and back.

11.7.3.parking, congestion charge fees and tolls, with receipts.

11.7.4.the cost of meals with receipts up to these maximum amounts:

11.7.4.1. Breakfast (if you leave home before 7.30 a.m.) £10.00;

11.7.4.2. Lunch (if not provided) £7.50;

11.7.4.3. Evening meal (if you stay overnight and not provided) £20.00.

11.7.5.hotel accommodation including breakfast will reimburse costs with receipts up to £75.00 for each night. If hotel accommodation does not include breakfast, costs can be reimbursed up to £65.00 for each night.

11.7.6.Members, Society Board Members or Co-opted members can claim £5.00 for other expenses with receipts for every day away from home after the first day.

12. Other Revenue Expenditure, Capital Expenditure and Donations

12.1. Approval and Authority Levels are in Annex 1.

Sometimes it is not possible to get the minimum number of quotes we need because of the circumstances, e.g. there are not many suppliers. In these cases, the Board must approve the spending, unless the Board needs to approve it anyway.

12.2. STAR’s detailed policies about Donations are in the [Donations Policy document](#).

13. Internal controls

13.1. Monthly reporting requirements and year end independent examination provide internal controls and checks in place to prevent and detect fraud, error, misuse or misappropriation of funds. All board members must be aware of their responsibility for the stewardship of society funds and to ensure that any concerns are voiced correctly in line with the Board Membership and Conduct policy.

14. Review

14.1. We will review this Policy every year, but members can ask for a review at any time by contacting the Secretary.

STAR - Finance Policy Authority Levels and Requirements Table

Type of Expenditure		Approval Required
Revenue Expenditure		
£0 - £1000	No quote required	1 Officer
£1001 - £5000(i)	Telephone or email quote from 3 suppliers(ii)	2 Officers (one normally the Treasurer)
£5001 - £24999(i)	Written quote from a minimum of 3 suppliers	Board Decision
£25000+	Tender - invitations to be sent to a minimum of 3 suppliers	Board Decision
Capital Expenditure		
£1001 - £24999(iii)	Written quote from a minimum of 3 suppliers	Board Decision
£25000+	Tender – invitations to be sent to a minimum of 3 suppliers	
Donations		
£0 - £1000	Request from either a STAR member or a 3rd party.	Board Decision (Secretary to confirm that the donation is within the Society's objects)
£1001+	Formal proposal to the Board by a Board member following receipt of a written request from a STAR member or 3rd Party (to include a business case or showing the extent of the benefit of the requested donation)	
Notes		
<p>(i) For Revenue expenditure of up to and including £5000, on occasions where it is not deemed practicable to obtain 3 quotations, 2 quotations will be acceptable if authorised by 2 Officers (one normally the Treasurer) at the time and ratified by the Board subsequently.</p> <p>(ii) A written note specifying from whom telephone quotations were obtained, the amounts of the quotations and the dates that they were obtained to be attached to the payment voucher.</p> <p>(iii) Any expenditure of up to and including £1000 (excluding donations) is deemed to be Revenue expenditure.</p> <p>(iv) If the minimum number of quotes required cannot be obtained, the expenditure must be approved by the Board.</p>		

V1.9a

12th October 2023