



Financial Governance and Control Recommendations

This document sets out a generic framework of recommended financial governance and control practices applicable to community-based organisations. The recommendations are based on established good practice standards and sectoral guidance and are intended to support ongoing consistency, transparency, and robustness in financial management arrangements.

While these recommendations were informed by a high-level review of financial practices, they are not reflective of, nor should they be interpreted as, findings specific to any individual community facility. It is acknowledged that the majority of these practices were already in place and being appropriately applied at the time of the review. The purpose of this document is therefore to formalise and consolidate good practice, rather than to imply deficiencies or non-compliance within any organisation.

1. Financial Policies and Procedures

1.1

The organisation shall maintain a comprehensive **Financial Policies and Procedures Manual** that documents key accounting policies, financial controls, approval thresholds, delegated authorities, and governance arrangements, including a reserves policy.

1.2

The Financial Policies and Procedures Manual shall:

- Be formally approved by the Board.
- Be reviewed at least annually, or more frequently where operational or regulatory changes arise.
- Be made available to all personnel with financial responsibilities.

1.3

Roles and responsibilities for financial management and oversight, including those assigned to management and Board members, shall be clearly defined, documented, and regularly reviewed.

1.4

The organisation shall ensure that:

- Pricing structures, booking systems, and invoicing arrangements are reviewed periodically and updated to reflect current practice.
- Cash-handling controls reflect current operational realities and good practice.
- Procurement thresholds and procedures are aligned with recognised public and third-sector procurement standards.
- All bank accounts and authorised signatories are formally approved, documented, and reviewed on a regular basis.

- Reserves are clearly classified as restricted, unrestricted, or designated, with documented purposes and intended use.

2. Financial Reporting to Management and the Board

2.1

The Board shall receive regular, accurate, and timely financial information to support effective oversight and decision-making.

2.2

At a minimum, financial reports presented to the Board should include:

- A periodic (monthly or bi-monthly) income and expenditure statement.
- Income and expenditure information analysed by significant activity or service area, where relevant.
- A detailed breakdown of key income streams.
- A summary of all bank balances.
- Approved budgets alongside actual results, with variance analysis.
- Explanatory commentary for any material variances.
- Year-to-date figures to support trend analysis.
- A Balance Sheet to provide oversight of the organisation's financial position.

2.3

Financial reports shall be reviewed in advance of Board meetings by appropriate officers and presented formally at each meeting.

3. Board Oversight and Governance Structures

3.1

The Board retains ultimate responsibility for the financial governance of the organisation and shall ensure that appropriate oversight mechanisms are in place.

3.2

The establishment of a Finance and Audit Committee is strongly recommended. Where established, the Committee should:

- Review financial reports in detail.
- Monitor compliance with financial policies and procedures.
- Support the development of robust financial controls.
- Report clearly and regularly to the full Board.
- Assist in building financial capability and resilience within the Board.
- Reduce reliance on any single individual for financial oversight.

3.3

The roles of management, the Treasurer, committees, and the Board in financial governance shall be clearly distinguished and documented.

4. Management Accounting Systems

4.1

The organisation shall utilise its accounting software (QuickBooks or otherwise) to its full capacity to support effective financial control, oversight, and reporting.

- Training has been provided free of charge, and made available to all centres by the Fingal Community Facilities Network to ensure staff operating the systems understand the full capability of Accounting Systeme, and that they are not just used as a simple ledger.

4.2

Annual budgets should be input into the accounting system and analysed on a periodic basis to enable automated budget-versus-actual reporting.

4.3

Financial performance should, where possible, be monitored and reported on an activity, service, or project basis through the use of appropriate cost codes.

4.4

Overhead costs should be allocated on a reasonable and consistent basis to support transparency and informed decision-making.

4.5

Management accounting arrangements should be designed to support compliance with applicable accounting and reporting standards.

5. Bank Account Management

5.1

The organisation shall regularly review its bank account structure to ensure that it remains efficient, proportionate, and fit for purpose.

5.2

Unnecessary or dormant bank accounts should be closed, and payment activity streamlined where possible.

5.3

An appropriate account structure should be maintained, which may include:

- A main operational current account.
- A reserves account.
- A ring-fenced account for restricted or grant-funded money.
- Additional accounts only where operationally justified, examples below
 - Childcare Bank Account
 - Pobal CSP Bank account

5.4

All bank accounts and authorised signatories shall be formally approved by the Board and subject to periodic review.

6. Reserves Management

6.1

The organisation shall maintain an appropriate level of reserves to ensure financial stability and resilience.

6.2

The Board shall:

- Regularly review the level and composition of reserves.
- Distinguish clearly between restricted, designated, and unrestricted reserves.
- Document the purpose, intended use, and timeframe associated with designated reserves.
- Consider how unrestricted reserves may be applied in furtherance of the organisation's objectives.

6.3

The reserves policy shall be reviewed periodically and aligned with the organisation's risk profile and strategic priorities.

7. Cash Handling and Controls

7.1

The organisation shall seek to minimise cash handling by promoting electronic and card-based payments, while maintaining accessible payment options where necessary.

7.2

Where cash handling is required, robust controls shall be in place, including:

- Issuing receipts for all cash received.
- Secure storage of cash in locked facilities with restricted access.
- Dual control over cash counting and recording.
- Prompt and accurate recording of cash transactions in the accounting system.
- Independent reconciliation of cash receipts.
- Regular and timely lodgement of cash to the bank, with appropriate security precautions.
- Ensure the maximum held cash amount aligns with the Community Centres insurance policy

7.3

Receipt books shall form part of the core audit trail and be reconciled regularly to recorded transactions.

7.4

Any discrepancies or exceptions shall be documented, reviewed by management, and addressed promptly.

8. Continuous Review and Improvement

8.1

Financial control systems, reporting arrangements, and governance structures shall be subject to periodic review to ensure ongoing effectiveness and compliance with best practice.

8.2

The organisation shall commit to continuous improvement in financial management, transparency, and accountability in support of its organisational objectives.