Finchley Progressive Synagogue

Finance Policy

1. Purpose and Scope of the Finance Policy:

This Finance Policy outlines the practices and procedures followed by Finchley Progressive Synagogue (FPS), a not-for-profit religious charity registered in the UK.

The policy aims to ensure clarity, accountability, transparency and compliance with relevant financial regulations while supporting the organisation's objectives and goals.

2. Financial Responsibilities:

2.1. Board of Trustees:

The Board of Trustees (Council) are responsible for overseeing the financial affairs of FPS.

This includes the approval of the annual budget, financial statements, and the taking of major financial decisions.

2.2. Finance Committee:

When necessary and appropriate, Council may determine the need for a Finance Committee to be formed in accordance with the proper rules regarding the formation of a committee.

Any Finance Committee will be headed by the Treasurer, who will remain part of Council. The Treasurer will report to and communicate with Council in their existing capacity in addition to any Finance Committee activity.

Any Finance Committee, as appointed by Council, is a sub-committee of Council.

Any Finance Committee can be formed on a project basis, or on a more long-term basis as appropriate, and the Committee's responsibilities will be determined and outlined as such at the time of formation. Finance Committee responsibilities can be revised by Council while following the relevant regulations.

Responsibilities of the Finance Committee could include, but are not limited to, assisting in financial strategy and oversight, the review of financial reports, and recommending course of action on financial matters to Council.

Regardless of whether a Finance Committee exists at any time, the Treasurer, as part of Council, remains responsible for that which would be expected of them in accordance with the role of Treasurer.

2.3. Treasurer:

The Treasurer is responsible for overseeing the daily financial operations, preparing financial reports, and ensuring compliance with financial regulations.

They are also Chair of any Finance Committee, should one exist.

3. The Role of the Treasurer

3.1. The Treasurer leads Council on:

• Ensuring FPS maintains proper accounts.

• Reviewing financial operation and performance.

• Ensuring policies for finance and investment are regularly reviewed.

• Ensuring that FPS has robust and effective financial controls in place.

• Overseeing the negotiation of all contracts, such as utilities, insurance, and maintenance.

• Having overall responsibility for bookings and lettings.

• Liaising with the FPS Chair, Council, and Finance Committee regarding financial matters and with the appointed external auditor.

• Approving Gift Aid claims on donations.

• Reporting on financial matters at the Annual General Meeting (AGM).

4. Budgeting:

4.1. Annual Budget: FPS shall prepare an annual budget that outlines projected revenues and expenses. Council must review and approve the budget.

4.2. The FPS financial year ends on 31st December each year. The annual accounts will be drawn up and presented at the next AGM.

4.3. Council will appoint an appropriately qualified external auditor to audit the accounts (or independent examiner, as appropriate) for presentation at the AGM. Council will review the appointment at least every 3 years.

4.4. Budget Monitoring: Regular monitoring of budget performance shall be conducted. Significant deviations from the approved budget require approval by Council.

5. Financial Reporting:

5.1. Financial Statements: FPS shall prepare accurate and timely financial statements in accordance with applicable accounting standards. Financial statements shall include the statement of financial position, statement of activities, and the cash flow statement.

5.2. Reporting Frequency: Management statements shall be presented to Council on a quarterly basis. An annual report shall be prepared and shared with all FPS members.

5.3 A qualified Accountant will be consulted for the preparation of the Financial Statements as appointed by Council, via the Treasurer.

6. Banking

6.1. All FPS bank accounts and savings/investment accounts must be held in the name ‘Finchley Progressive Synagogue.’ New accounts can only be opened by persons designated by Council.

6.2. The bank mandate (list of authorised signatories for FPS) will always be approved and minuted by Council, as will any changes to it. Authorisation of transactions will require at least 2 of the FPS authorised signatories, except when using online banking, in which case clause 10.8 of the FPS Constitution applies.

6.3. The bank will be reconciled with the FPS accounts at monthly intervals by the Treasurer or appointed bookkeeper.

6.4. Change of bankers or the taking out of overdraft facilities or loan agreements will require Council's approval.

6.5. The preferred and principal method of making payments is by online bank transfer from the FPS main current account; cheques may also be used if necessary.

6.6. In specific circumstances payments are made by means of the FPS debit/credit card. Records of these payments are kept accordingly, and it is the card user's responsibility to identify, investigate and inform the Treasurer of irregularities such as non-receipt of goods or services, or incorrect billing amounts.

Approval of Card users is at the discretion of the Treasurer and or Council.

7. Financial Records - Income, Expenditure and Payment Documentation

7.1. FPS uses proprietary computer software for recording all monies received, payments made, payment documentation (including invoice storage), cash analysis, asset register and inventory, staff salary payroll, petty cash, expenses, PAYE and pension payments, payments for utilities and services, and the preparation of all accounts – monthly, quarterly, annually, and variances.

7.2. This software is designed to enable FPS to meet its legal, statutory, and other obligations such as HM Revenue and Customs, Charities Act, UK Common Law, etc.

7.3. The software enables the Treasurer and Council to have full control of the organisation's finances.

7.4. The software being used must have the facility to automatically and continuously be backed up to secure off-site cloud storage, retaining the records for the appropriate statutory periods.

8. Fund Management:

8.1. Donations and Grants: All donations, grants, and funds received shall be recorded and acknowledged promptly.

Donor restrictions shall be respected, and funds must be used for their designated purposes ('Restricted Funds').

8.2. Investment: Investment decisions shall be made in alignment with FPS policies and agreed by the Council, focusing on risk management, and generating sustainable returns to support the organisation's mission. A proportion of FPS reserves may be invested to generate additional income.

9. Internal Controls:

9.1. Segregation of Duties: Financial responsibilities shall be segregated appropriately to prevent conflicts of interest. Any such conflicts must be declared at the start of Council, or Finance Committee, meetings, which are held on a regular basis.

9.2. Expense Approval:

9.2a. Documentation and Budgetary Control: All expenditure must be incurred solely for legitimate synagogue purposes and in support of Synagogue's approved activities and operations. Expenditure must be supported by appropriate documentation and must be within the approved budget or otherwise specifically authorised by council.

9.2b. Expenditure above £250: Expenditure of £250 or less does not require advance approval, provided it complies with paragraph 9.2a. Such expenditure may be authorised by the Office Manager, Rabbi, Chair or another officer or employee authorised by Council for this purpose, provided that the authorising individual is not the person incurring or claiming the expense.

9.2c. Expenditure above £250 and up to £1,000: Any single item of expenditure exceeding £250 requires advance approval before the expenditure is incurred. Approval may be given by the treasurer, Rabbi, another officer or employee authorised by Council for this purpose, or Council. The person requesting, incurring, or claiming the expenditure may not approve it.

9.2d. Expenditure above £1,000: Any single item of expenditure exceeding £1,000 requires advance approval from Council before the expenditure is incurred.

9.2e. Reporting to Council: A schedule of all expenditure authorised under this policy shall be reported to Council on a regular basis, normally monthly and in any event no less frequently than quarterly. The report shall include for each item of expenditure, the person requesting or claiming the expenditure (where applicable), the approver, the amount and a brief description of the expenditure.

10. Compliance:

10.1. Legal and Regulatory Compliance: FPS shall adhere to all relevant UK laws and regulations governing financial operations and reporting for charitable organisations. This shall include (but shall not be exclusive to) the rules and regulations of the Charity Commission.

10.2. Tax Compliance: FPS shall maintain its charitable status and fulfil all tax-related obligations, including submission of required documents to HM Revenue & Customs.

10.3 Tax evasion, in as far as it is a criminal offence, is prohibited in any and all forms by FPS, anybody acting for or on behalf of FPS, or any of those persons acting in a personal capacity. Legal and ethical standards will be upheld to the highest degree. FPS will not be party to tax evasion of the facilitation of tax evasion of any form.

10.4 Constitution: The governing document of FPS is its Constitution and in the event of any conflict between this policy and the Constitution, the Constitution takes precedence.

10.5 Bribery and corruption, in as far as they are criminal offences, is prohibited in any and all forms by FPS, anybody acting for or on behalf of FPS, or any of those persons acting in a personal capacity. Legal and ethical standards will be upheld to the highest degree.

11. Audit and Review:

11.1. External Audit: An independent external audit of the Synagogue's financial statements shall be conducted when necessary, under statutory requirement to ensure accuracy and compliance.

12. Reserves and Investment policies:

12.1. Reserve Fund: The Synagogue shall maintain a reserve fund to provide financial stability, cover unforeseen expenses, and support long-term objectives and sustainability.

Any and all investment decisions require Council approval.

13. Amendments to the Policy:

13.1. Review: This Finance Policy shall be reviewed annually by Council and updated as necessary following FPS policy, in order to reflect changes in regulations, organisational structure, or best practice.

Beverley Kafka	Amanda D'Oyly
Chair	Treasurer

Ratified May 2026

Review due May 2027