EFG Financial Controls and Expenses Policy

Version 1: Last reviewed and adopted by the Trustees on 1 November 2026.

The current version of this policy is available at https://exoticferngroup.org/values.

1. Purpose

The Trustees are responsible for safeguarding the Exotic Fern Group's (EFG) funds and ensuring that they are used only to further the charity's objects.

The EFG will maintain financial controls proportionate to its size and activities and will keep appropriate accounting records.

2. Bank accounts and payments

All EFG funds must be held in accounts in the name of the charity or through payment services approved by the Trustees.

The Trustees will determine who is authorised to operate EFG's bank accounts and payment services. The Trustees will keep a record of who holds bank cards, online banking access and payment-service log-ins, and will review it whenever those arrangements change.

Payments must be for legitimate EFG expenditure and appropriately authorised. Wherever practicable, no individual should have sole control over the authorisation and payment of charity funds.

No person may approve a payment to themselves.

Bank and payment-service transactions will be reconciled regularly with the EFG's accounting records. The Trustees will receive sufficient financial information to understand EFG's financial position and exercise appropriate oversight.

3. Income and cash

Income received on behalf of the EFG belongs to the charity and must be recorded accurately and paid into an EFG account as soon as reasonably practicable.

Cash must be kept secure until it can be banked. Wherever practicable, cash received at an event should be counted and recorded by two people.

Expenses or other payments must not be deducted directly from cash or other income received. Income must be banked in full and any payment made separately.

4. Expenditure

EFG funds may only be spent in furtherance of the charity's objects.

Expenditure must be reasonable, properly authorised and supported by an invoice, receipt or other appropriate record wherever available.

Expenditure that is not covered by a budget agreed by the Trustees, or that would exceed one, must be approved by the Trustees before it is incurred.

5. Budgets and delegated authority

The Trustees may agree a budget for a specific project, activity, event, publication or other activity of the EFG. When agreeing a budget, the Trustees will record its purpose, amount and period, and who is responsible for it.

The Trustees may delegate financial control of an agreed budget to the committee running that activity, under clause 14 of the Constitution. Any such committee must include at least one Trustee, and its spending must be reported to the Trustees as soon as reasonably practicable.

Within an agreed budget, the committee may authorise expenditure, including the reimbursement of expenses, for the budget's agreed purpose. No one may approve their own expense claim or a payment to themselves.

6. Expenses

The EFG reimburses expenses only where they are incurred within a budget agreed by the Trustees, or where the Trustees have approved the cost in advance. Outside these arrangements, Trustees and volunteers are not expected to claim for costs they incur in taking part in EFG activities, including travel, accommodation and food when attending or helping at trips, visits, shows, plant fairs or other events.

Nothing in this policy limits a Trustee's entitlement under clause 5(1)(a) of the Constitution to be reimbursed for reasonable expenses properly incurred when acting on behalf of the EFG. A Trustee who intends to make such a claim outside an agreed budget should, wherever practicable, agree it with the other Trustees in advance.

Expense claims must:

- identify the expenditure and its purpose;
- be supported by receipts or other reasonable evidence where available; and
- be approved by someone other than the person making the claim.

Expenses are reimbursement of costs actually incurred on the EFG's behalf and are not payment for a person's time.

7. Conflicts of interest

Trustees must declare any direct or indirect interest in a proposed transaction or arrangement with the EFG, and must absent themselves from any discussion in which a conflict of interest may arise, in accordance with clause 7 of the Constitution. A Trustee who is absent under clause 7 must not vote or be counted in the quorum on that matter.

Benefits and payments to Trustees and connected persons are permitted only as set out in clause 6 of the Constitution.

8. Accounts and annual reporting

The Trustees will keep accounting records, prepare annual accounts and a Trustees' Annual Report, and send them with the annual return to the Charity Commission within 10 months of the end of the financial year, as required by clause 25 of the Constitution.

Restricted funds will be recorded separately in the accounting records so that they can be shown to have been used for the purposes for which they were given.

9. Trustee oversight

The Trustees remain collectively responsible for the EFG's financial management.

The charity's financial position will be reviewed regularly by the Trustees, including as part of Trustee meetings where appropriate.

Any significant financial loss, discrepancy, suspected fraud or misuse of charity funds must be reported promptly to the Trustees and dealt with appropriately.

10. Relationship with other EFG documents

This policy should be read alongside the current versions, where relevant, of:

- the EFG Constitution;

- the EFG Fundraising Policy;
- the EFG Trips, Visits and Events Policy;
- the EFG Code of Conduct; and
- any other relevant EFG policy or guidance.

In the event of any inconsistency, the Constitution takes precedence.

11. Approval and review

The Trustees will review these controls at least once every two years to ensure that they remain appropriate to the EFG's size and activities.

The policy will also be reviewed following any significant change in the EFG's financial activities or circumstances which indicates that the controls should be reconsidered.

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