



The  
Research  
Ethics  
Association

# FINANCE POLICY

September 2023

Ratified  
**12/09/2023**

Review by  
**12/09/2026**

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# Finance Policy

## **Introduction**

1.1. The Research Ethics Association (the "Association") is an unincorporated association based in the UK. This Finance Policy establishes guidelines and procedures for the financial management of the Association, ensuring transparency, accountability, and the proper stewardship of financial resources.

1.2. The purpose of this policy is to outline the principles and procedures governing the financial operations of the Association. It aims to provide clear guidance on financial management, budgeting, revenue and income, expenses and payments, financial controls and record-keeping, compliance and reporting, as well as roles and responsibilities.

## **Financial Responsibilities**

### **2.1. Financial Management**

2.1.1. The Co-founders (jointly and severally) shall be responsible for the day-to-day management of the Association's financial operations in accordance with this Finance Policy and related procedures. The REA will aim to have a finance officer who is not a co-founder to support the financial running of the REA and to maintain transparency. However, the co-founders may delegate financial management responsibilities to other designated member of staff or committee members where appropriate.

2.1.2. The Co-founders shall serve as the de facto Head of Finance and ensure the existence of written policies, procedures, and a robust control framework for the effective management of the Association's financial operations.

### **2.2. Budgeting**

2.2.1. The Association shall prepare an annual budget outlining projected income and expenses. The budget should align with the Association's goals and objectives and be approved by the executive committee. It should be reviewed periodically to ensure financial objectives are being met.

### **2.3. Financial Reporting**

2.3.1. The Co-founders shall ensure accurate and timely financial reports are prepared and presented to the executive committee on a quarterly basis. These reports should provide a comprehensive overview of the Association's financial position, income and expenditure statements, and any significant variances from the budget.

## **Revenue and Income**

### **3.1. Sources of Revenue**

3.1.1. The Association may generate income through various sources, including but not limited to membership fees, donations, grants, sponsorships, and event registrations. All revenue received should be recorded promptly and accurately in the Association's financial records.

### **3.2. Financial Controls for Revenue**

3.2.1. Effective financial controls should be in place to safeguard the Association's revenue. These controls may include segregation of duties, dual authorisation for financial transactions, and regular reconciliation of bank statements.

## **Expenses and Payments**

### **4.1. Authorization of Expenditure**

4.1.1. Expenditures should be authorised in accordance with the approved budget and financial guidelines. The Co-founders or an authorized representative should review and approve all expenses before payment.

4.1.2 For travel-related expenses, including those incurred during authorised travel on behalf of the Association, travellers must adhere to the guidelines and procedures outlined in the Travel and Expense Policy. The Travel and Expense Policy provides specific instructions on travel planning, pre-approval requirements, eligible expenses, documentation, and the reimbursement process. Travelers should consult the Travel and Expense Policy for detailed information and ensure compliance with its guidelines.

### **4.2. Payment Procedures**

4.2.1. Payments should be made by approved methods such as cheques, bank transfers, or electronic payments. Adequate documentation, such as invoices, receipts, or expense forms, should support all payments. Payments made on behalf of the Association should be properly recorded in the financial records.

### **4.3. Petty Cash**

4.3.1. If a petty cash fund is established, a designated custodian should be responsible for managing and reconciling the fund. Petty cash expenditures should be properly documented and approved in line with the Association's financial guidelines.

## **Financial Controls and Record-Keeping**

### **5.1. Financial Controls**

5.1.1. The Association shall establish internal controls to safeguard its assets and prevent fraud. These controls may include regular review of financial transactions, separation of duties, and periodic internal or external audits.

### **5.2. Record-Keeping**

5.2.1. Accurate and complete financial records should be maintained in accordance with applicable laws and regulations. Financial records should include, but are not limited to, bank statements, invoices, receipts, payroll records, and general ledger entries. Records should be retained for the required period and stored securely.

## **Compliance and Reporting**

### **6.1. Compliance**

6.1.1. The Association shall comply with all applicable financial regulations, tax obligations, reporting requirements, and accounting standards. Financial reports and tax filings should be prepared accurately and submitted in a timely manner to the relevant authorities where required.

### **6.2. Reporting**

6.2.1. The Co-founders shall ensure the availability of regular financial reports to the executive committee and other relevant stakeholders as necessary. These reports should provide a comprehensive and accurate overview of the Association's financial position and performance.

## **Amendments to the Finance Policy**

7.1. This Finance Policy may be amended as necessary by a majority vote of the executive committee. Any amendments should be documented and communicated to relevant stakeholders.

## **Policy Review**

8.1. This Finance Policy should be reviewed periodically to ensure its relevance and effectiveness. Changes in financial regulations or the Association's operating environment may necessitate updates to this policy.