SPIREVIEW
HOUSING ASSOCIATION

FINANCIAL PROCEDURES

Approval Date: **October 2026**

Review Date: **October 2029**

SPIRE VIEW HOUSING ASSOCIATION LTD
Financial Procedures

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1. INTRODUCTION

1.1 In order to facilitate the efficient and effective operation of the Association in matters relating to the finance and minimise risk in accordance with our Risk Management Policy, a series of financial controls have been established. This is also to ensure compliance with Standard 3 of the Scottish Housing Regulator ('SHR') Regulatory Standards of Governance and Financial Management.

1.2 These procedures incorporate basic elements of financial control which exist in most organisations as well as those which may be peculiar to this Association.

1.3 It is in the interests of the organisation that these controls are made known and are adhered to by both staff and Committee members. All members of staff and Committee will be made aware of these controls and must comply with the same. Awareness of these controls will form part of the induction for new staff and Committee members.

1.4 These procedures shall be reviewed and updated as necessary on a 3 yearly basis by the Finance Consultant in conjunction with the management team and any amendments shall be considered and approved by the Management Committee.

1.5 The Association must ensure that, where records of a financial nature are kept outside the finance section, consultation is held with the Finance Consultant and an agreement reached that ensures the way records are kept is appropriate for audit purposes.

1.6 In addition, consultation with the Finance Consultant and Chief Executive and must take place for all transactions which have (or may have) a material financial effect, including any maintenance, purchase or leasing agreements.

1.7 It is essential that the Finance Consultant and Chief Executive be notified immediately of any event which has, or may have, material financial implications for the Association.

1.8 These procedures together with the Financial Regulations form part of the overall system of financial and management control and take account of the Scottish Housing Regulator's (SHR) Standards of Governance and Financial Management.

1.9 In the event of failure to follow agreed procedures action may be taken against the offending individual(s) under the Association's disciplinary procedures or Code of Conduct (for Committee and staff Members).

2. BUDGET PROCESS

2.1 The value of the budget statement as a Management tool should be recognised and under no circumstances should the organisation be operating without a comprehensive budget document.

2.2 In preparing the budget statement appropriate consultation and discussion with all sections of the organisation must take place and guidance from the Scottish Housing Regulator must be recognised and considered.

2.3 The budget setting process must allow adequate input from all sections within the Association. The Finance Consultant shall issue a formal and detailed budget information request in September of each financial year to budget holders. The Chief Executive has responsibility for co-ordinating the supply of information to the Finance Consultant within agreed timescales.

2.4 Budget holders have been determined across the Association. Budget holders are responsible for providing detailed information to inform the annual setting of budgets.

They are also responsible for monitoring actual income and expenditure against their allocated budget codes and providing detailed information to the Finance Consultant with regards to any significant variances.

2.5 The Management Committee shall consider a draft budget for the year in November of each year, also approving the indicative annual rent increase at that point and then approving the final budget document in February of each year. The final budget document approved for the year must contain appropriate supporting narrative, including details of main assumptions employed, material changes from the previous year, appropriate ratio analysis, covenant compliance review and detailed cash flow projections.

2.6 To assist the process of cost allocation within the Association, senior staff members may be required to complete time allocation sheets as directed.

2.7 On completion of the annual budget a copy shall be sent to the external auditor and all funders upon request.

2.8 Budget variance reports shall be issued quarterly to Senior Staff and budget holders. Budget holders are expected to formally explain variances to the Finance Consultant to allow the preparation of the quarterly management accounts and related Management Committee report.

2.9 All Senior Staff and budget holders should be aware of the budgets within their control and should have in place effective tools for managing their budgets throughout the year. Any requirements to exceed a budget should be drawn to the attention of the Chief Executive immediately and a report submitted to the Committee for approval.

2.10 Management accounts will be prepared on a quarterly basis and shall compare the estimated and actual income and expenditure for the period to date. Any material variances must be highlighted and explained to the Committee with the covering report issued within the management accounts.

2.11 The quarterly management accounts should include the effect of likely future events on the financial position together with details of the currently projected financial position of the Association at the year-end. In the event of a material adverse change in expected outcomes a revised annual budget may be required to be prepared.

Budget Setting Timetable:-

Budget Request issued to Senior Staff and Budget Holders	September
Budget Information Submitted to Finance Manager	October
Executive Team meet to discuss draft budget	October
Draft Budget to Management Committee Tenant Consultation	November Nov - Jan
Final Budget updated to reflect any changes and rent increase decision and formal approval by the Management Committee	Jan - Feb

3. TENDERING PROCEDURE

3.1 All matters in connection with the above will be undertaken in line with the Association's Policies and Procedures.

4. LOAN AGREEMENT COMPLIANCE

4.1 In order to ensure the proper monitoring of compliance of the Association's loan agreements with its lenders (Virgin Money Bank and Nationwide Building Society) the following clauses and their contents must be noted:-

- Information
- Covenants
- Valuations
- Default

4.2 The Association's Finance Consultant shall have the responsibility for ensuring the monitoring and submission of financial information to the Chief Executive and the Management Committee including: budgets, quarterly management accounts, annual accounts, covenant monitoring and revision of long-term projections.

4.3 All Senior Staff and Committee members of the Association have a duty of responsibility regarding full awareness and adherence to the terms and conditions of all Loan Agreements with its lender.

5. RECEIPT OF MONIES: CASH & CHEQUE

5.1 The Finance Consultant will ensure that appropriate processes are in place for the timely and accurate recording of all monies due to the Association.

5.2 To minimise risk the Association will only accept cash payments directly into the office in exceptional circumstances.

5.3 If a tenant does ask to pay cash into the office the following procedures apply:

a. If the cash payment is for rent, a member of staff will immediately input the payment into the HomeMaster system and generate a receipt. The receipt will be signed and photocopied. The original receipt will be issued to the tenant. The copy receipt, along with the cash payment will be passed to the Finance Assistant (or the Corporate Governance Manager in the absence of the Finance Assistant).

b. The Finance Assistant / Corporate Governance Manager will check the payment matches the receipt. The cash will be placed in the Association's safe immediately until banked. The copy receipt will be retained by the finance department.

5.4 If a tenant pays personally by cheque at the office, the following procedures apply:

a. The staff member will check that the cheque is correctly made out and immediately input the payment into the HomeMaster system and generate a receipt. The receipt will be signed and photocopied. The original receipt will be issued to the tenant. The copy receipt, along with the cheque will be passed to the Finance Assistant (or the Corporate Governance Manager in the absence of the Finance Assistant).

b. The Finance Assistant / Corporate Governance Manager will check the payment matches the receipt. The cheque will be placed in the Association's safe immediately until banked. The copy receipt will be retained by the finance department.

5.5 If a rent cheque is received in the post, the following procedures apply:

a. The staff member will check that the cheque is correctly made out and immediately input the payment into the HomeMaster system and generate a receipt. The receipt will be signed and photocopied. The original receipt will be posted to the tenant. The copy receipt, along with the cheque will be passed to the finance assistant (or the Corporate Governance Manager in the absence of the Finance Assistant).

b. The Finance Assistant / Corporate Governance Manager will check the payment matches the receipt. The cheque will be placed in the Association's safe immediately until banked. The copy receipt will be retained by the finance department.

5.6 Banking shall be undertaken by one of the finance team where funds received are £1,500 or over.

5.7 Housing staff are trained and authorised to accept electronic payments. This requires to be done through the Allpay website All trained staff have their own username and password to access this system.

6. RECEIPT OF MONIES: DEBIT CARD

6.1 The Association has access to card payment terminals that allow tenants, owners, or other customers to pay for certain transactions via the payment terminal.

6.2 Two machines will be situated within the main office and one machine located within the Community Hub.

6.3 If a tenant or factored owner does ask to pay by debit card into the office the following procedures apply:

a. If the debit card payment is for rent or factor fees, a member of staff will immediately input the payment into the HomeMaster system and generate a receipt. The receipt will be signed and photocopied. The original receipt will be issued to the tenant. The copy receipt will be passed to the Finance Assistant (or the Corporate Governance Manager in the absence of the Finance Assistant).

b. The Finance Assistant /Corporate Governance Manager will check the payment matches the receipt. The copy receipt will be retained by the finance department.

6.4 If a customer wishes to pay by debit card within the Community Hub the following procedures apply:

c. If the debit card payment is for venue or event hire, a member of staff will immediately input the payment into the Hub invoicing spreadsheet, issue a receipt and note the receipt number within the spreadsheet. The receipt will be signed and photocopied. The original receipt will be issued to the customer. The copy receipt will be passed to the Finance Assistant (or the Corporate Governance Manager in the absence of the Finance Assistant).

d. The Finance Assistant / Corporate Governance Manager will check the payment matches the receipt. The copy receipt will be retained by the finance department.

6.5 At the end of the business day the machines must be settled by clicking the 'Settlement' option to produce a list of the days transactions and allow funds to be released to the bank for the next working day.

6.6 All machines must be stored securely overnight within a lockable drawer and switched off.

7. INVOICES/ORDERS

7.1 When non-maintenance goods are delivered, any delivery note is held by the Corporate Services Assistant until receipt of the invoice. When the invoice is received this will be matched with the appropriate delivery note and checked to see if it agrees. The delivery note will be appended to the invoice in workflow.

7.2 Invoices (which are not received electronically) shall be date stamped by the Corporate Services Assistant and emailed to the svinvoices@spireview.org.uk. All Invoices (including electronic invoices) will be assigned to workflow and the details logged on the HomeMaster purchase ledger prior to distribution to the relevant department for checking and authorisation.

7.3 On receipt of non-maintenance invoices, the finance team will pass the invoice via workflow to the relevant budget holder who, if satisfied that the invoice is correct, should authorise payment and return for HomeMaster authorisation using workflow procedures.

7.4 All maintenance orders shall be supported by a 'works order' generated on HomeMaster. Invoices received in respect of repair related expenditure shall be matched with a copy of the 'works order' and be authorised and approved for payment in line with the Financial Regulations.

7.5 Only those with appropriate delegated authority as set out in the Financial Regulations have the authority to request purchase orders or issue maintenance orders, within their set limits.

7.6 A list of approved maintenance suppliers is in place and shall be revised as appropriate in line with maintenance policies and procedures and approved by the Management Committee. Goods and services should be ordered from the approved suppliers wherever possible. Approval from the Chief Executive should be sought where a non-approved supplier is to be utilised.

7.7 Invoices will be processed onto the purchase ledger in a timely manner. Prior to processing any invoice it will be reviewed for financial accuracy and application of the correct VAT rate. Each invoice will be allocated a unique reference number.

7.8 The Finance team will review all invoices approved for payment by budget holders as required to ensure they are supported by an appropriately approved purchase order and there are no discrepancies between the purchase order and the purchase invoice.

7.9 Where supplier statements are received, a supplier statement reconciliation will be carried out.

8. GENERAL LEDGER

8.1 Required journals shall be written up and posted in a timely manner by the Finance team.

8.2 Information relating to Journal entries will be retained on file by the Finance team. The journals file will be reviewed annually by the Finance Consultant and the Association's Auditors.

8.3 Cash book postings are made on a regular, at least monthly, basis to reflect receipts and payments, including those paid via standing order and direct debit, and inter account bank transfers.

8.4 Quarterly reviews or reconciliations will be carried out on all balance sheet accounts and shall be reviewed by the Finance Consultant.

9. CHEQUES/BACS PAYMENTS

9.1 The Association pays its suppliers on a weekly basis. This will be performed by the Finance Assistant. Where possible the payment should be made by BACS transfer but where this is not possible payment may be made by cheque.

9.2 The person performing the payment will first review the HomeMaster purchase ledger to identify all invoices due to be paid before the next payment run. They will also ensure that all identified invoices have been returned to Finance and are all appropriately authorised in accordance with the Financial Regulations.

9.3 The person making the payment will print off the HomeMaster purchase ledger payment report, detailing all the invoices to be paid, the bank's BACS payment sheet and all of the invoices (appropriately authorised) to be paid as part of that run. Given that at this stage all the invoices have already been authorised the requirement in presenting the above documents is for the payment itself to be authorised. This will be done in line with the Association's cheque / BACS mandate with the bank. The individual authorising the payment should sign the payment report and the BACS payment sheet in order to certify that both documents contain the same payment details.

9.4 If a payment is required to be made by a cheque then a cheque payment request is completed together with supporting documentation. The cheque payment request should be signed by the individual authorising payment in order to confirm that the payment request form matches the supporting documentation and payment can therefore be made.

9.5 BACS payees should receive a remittance; this will be emailed by the Finance Assistant.

9.6 Cheques issued should run in numerical order.

9.7 In the event that no invoice is available e.g. petty cash, rent refund etc., a completed cheque/BACS request voucher must be available and be fully authorised in accordance with the invoice procedures. It is the responsibility of the Officer requesting payment to complete the cheque/BACS request voucher.

9.8 The Association currently operates the following bank accounts:

Bank	Bank A/c Name
Virgin Money	Rent a/c
Virgin Money	Current a/c
Virgin Money	Deposit a/c
Virgin Money	Community Hub a/c
Nationwide	95 day Saver
Nationwide	Business Instant Saver
Bank of Scotland	95 day Notice Account

9.9 Payments to creditors shall be made in accordance with any contractual obligation. Where no contractual obligation exists, payment should normally be made within 30 days of invoice date/date receiving invoice.

9.10 In the event of the Association being notified of a change of bank details, the Finance Team will be responsible for ensuring that the request is legitimate. The Finance Assistant will phone the creditor using existing contact details, rather than any provided at time of notification. An email confirmation should be obtained confirming any change. Change

request will therefore have been verified verbally and in writing. Any discrepancies will be reported immediately to the Chief Executive or the Depute Chief Executive.

10. CREDIT CARD

10.1 The Association has a MasterCard account with the Virgin Money Bank. There are two credit cards held, one by the Chief Executive and one by the Housing Manager. The cards have spend limits of £6,000 each.

10.2 The credit cards are held for use in limited circumstances. Any item which can be purchased through the Invoices/Orders system described at section 6 above should be purchased in line with this procedure. All items purchased by credit card should be for business purposes. Purchases on the credit card will be reviewed at least monthly by the Finance Assistant to identify whether this principle has been adhered to.

10.3 The credit card account limit of £12,000 shall be reviewed as required and adjusted if considered necessary. Changes to the credit card limit must be justified to and approved by the Management Committee.

10.4 The credit cards shall be held within the Association's offices, within the safe. It shall only be removed overnight if the Chief Executive / Housing Manager require the card for travelling for business purposes or evening meetings.

10.5 The credit card has a Payment Record Sheet which is kept with the appropriate card in the safe. Whenever use of the card is requested the individual must explain to the cardholder the purpose of its use and must be able to provide back-up for the transaction. If satisfied payment will be made and the Payment Record Sheet signed by the appropriate staff member. Supporting documentation must be provided and given to Finance Assistant for subsequent matching with the statements.

10.6 When the monthly credit card statement is received, all transactions will be matched with the Payment Record Sheet. Where there is a transaction on the statement that does not match the Payment Record Sheet this must be queried immediately with the Chief Executive or Chairperson as deemed appropriate.

10.7 Any bank charges appearing on the statement will be verified by the Finance Assistant for accuracy.

10.8 There should be no circumstances under which the credit card is used in error and for any other purpose than in relation to business for the Association. Any such occurrence must be formally reported to the Management Committee and disciplinary action may be taken.

11. DEBIT CARD

11.1 The Association also has the option of a Virgin Money Business Debit Card that works together with the Business Current Account. It allows the Association to easily pay for goods and services and withdraw cash when needed.

11.2 Should the Association opt for a Business Debit Card; the Chief Executive & Depute Chief Executive are the two signatories for the Association that must authorise any spend and withdrawals from the Business Current Account.

11.3 Similar to the Credit Card, the Debit Card must hold a separate Payment Record Sheet which is kept with the appropriate card in the safe. Whenever use of the card is requested, the individual must explain to the cardholder the purpose of its use and must be able to provide back-up for the transaction. If satisfied payment will be made and the Payment

Record Sheet signed by the appropriate staff member. Supporting documentation must be provided and given to Finance Assistant for subsequent matching with the statements.

11.4 There should be no circumstances under which the debit card is used in error and for any other purpose than in relation to business for the Association. Any such occurrence must be formally reported to the Management Committee and disciplinary action may be taken.

12. PETTY CASH

12.1 The petty cash tin will be the responsibility of the Finance Assistant, and in their absence the Corporate Governance Manager. When not in use the petty cash tin will be locked and kept in the safe which is also locked when not in use. It will be the responsibility of the person maintaining the petty cash to review the level of cash in the tin and to arrange at an appropriate time for it to be topped up. The maximum limit for petty cash is £1,000.

12.2 All requests to reimburse the petty cash should be made through a cheque request form or withdrawing cash from the Business Debit Card. For the cheque request, the cheque must signed by two authorised signatories in accordance with the cheque signing procedures. If withdrawing cash, the request must be approved by both the Chief Executive & Depute Chief Executive and requests followed as per section 10.3 of these financial procedures.

12.3 The use of petty cash should be restricted to small sundry items which cannot be purchased through the normal invoicing procedures. Examples of such items would be:

a) Gas/Electricity top ups limited to a maximum of £50 per household.

b) Reimbursement of small sundry expenses such as tea, milk and newspapers, up to a maximum of £25.

c) Reimbursement of sundry travel expenses where it is not practical to claim them through the payroll, up to a maximum of £75

d) Other small sundry expenses up to a limit of £100

12.4 At no time should the petty cash tin be used by any staff or committee member for purposes other than expenditure wholly and necessarily incurred on Association business.

12.5 The person claiming the petty cash expense must provide a receipt for the item purchased.

12.6 The person responsible for the petty cash will complete a petty cash voucher for each claim, which will correspond to the receipt. They will then count out the cash in the presence of the person making the claim, who will also check it. Once the amount has been paid both persons will sign the petty cash voucher which will then be filed in the petty cash vouchers file with the receipt attached.

12.7 At the end of each month the balance of cash in the petty cash tin is reconciled to the petty cash book. If both Finance Assistant and Corporate Governance Manager are present then this is double checked by the other. When the cash reconciliation has been carried out this should be noted on the spreadsheet.

12.8 On a monthly basis the petty cash spreadsheet will be totalled and posted to the HomeMaster nominal by the Finance Assistant.

12.9 The Association's Finance Consultant will periodically review the petty cash payments.

12.10 Any differences upon reconciling the petty cash should be reported in the first instance to the Finance Consultant for further investigation. If this remains unresolved the Finance Consultant will report this to the Chief Executive and if appropriate to the Management Committee.

13. SALARIES/EXPENSES

13.1 The Chief Executive is responsible for the HR records of the Association. It is the responsibility of the Chief Executive to ensure that all relevant information with regards to payroll is provided to the Finance team at least a week prior to the payroll processing date. This should include approved starters and leavers forms, and approved salary changes.

13.2 Salary and wage increases arising from staff promotions or pay awards must be approved by the Management Committee (or authorised subcommittee) prior to any payment being made. Any changes in salary amounts due must be confirmed in writing to the individual staff member with a copy of the letter being retained in the personnel files.

13.3 Overtime must be approved by the Chief Executive in advance and any claim should be accompanied by an overtime form signed by the individual requesting payment and authorised by the Chief Executive. Any overtime claim by the Chief Executive must be authorised by the Chairperson of the Management Committee.

13.4 Any request for reimbursement of expenses/mileage costs should be accompanied by an expenses claim form signed by the individual requesting payment and authorised in accordance with the Financial Regulations. Receipts should be provided where possible.

13.5 All sickness absences of over 5 working days require a fit note from the employees' GP to cover ongoing absence.

13.6 All sickness absences of less than 5 working days require completion of a self-certification sickness form. This can be substituted by a completion of a Return to Work Interview / Form by the relevant manager.

13.7 For the purposes of statutory sick pay the finance team must be made aware of all absences from work arising from sickness.

13.8 Salary processing is carried out by the Finance Assistant. Staff will submit claims in line with the payroll timetable that is issued and submit all claims for travel expenses, overtime, subsistence etc. If staff fail to submit claims on time, these will not be paid until the following month.

13.9 Once the salaries have been prepared by Finance Assistant they will be reviewed for accuracy by the Chief Executive or Depute Chief executive, who will sign and date Sheet 1 of the Sage payroll summary to confirm this has been done. Once any queries have been resolved the payroll is ready for processing.

13.10 The Finance team will next prepare all the appropriate BACS Request forms for authorisation. All BACS request forms will be supported by appropriate salary documentation. It is this BACS Request form that effectively authorises the payment of the salaries. BACS Request forms for any salary related payments must be authorised by the Chief Executive / Depute Chief Executive or in their absence by an Office Bearer.

13.11 Salary payments are due on the 28th of each month (or the last working day prior to this), and shall be processed at least two days prior to this to ensure adherence with the

timetable. The payment period in December will vary in line with agreed holiday arrangements.

13.12 The Finance team are responsible for submission of all PAYE returns and Pension contributions in accordance with statutory timetables.

13.13 Any changes in employment terms must be approved by the Management Committee, must be conveyed to the staff member in writing and a copy of the letter held within the personnel files.

13.14 Any voluntary deductions from pay must be supported by written authorisation given by the employee.

13.15 Other than in respect of any special December holiday arrangements, early payment of salaries will not be permitted.

14. COMMITTEE EXPENSES

14.1 All claims for reimbursement of expenses must be accompanied by an expenses claim form signed by the individual requesting payment and countersigned by the Association's Director.

14.2 Receipts must be obtained and attached with any reimbursement claim made, if the claim is for loss of earnings, a letter from the employer should be obtained.

14.3 Whilst it is preferred that payment is by BACS or cheque, it is recognised that payments via petty cash may be required, subject to the petty cash upper limits.

14.4 No cheque signatory may sign a cheque payable to themselves.

14.5 All expenses paid will be available for inspection by the Chief Executive and Committee members.

14.6 Payment of expenses shall be made in accordance with the Committee Expenses policy.

15. MAINTENANCE REPAIRS

15.1 The annual budget setting process will allocate the level of funds available for day to day, cyclical and major repair maintenance works.

15.2 The allocation of funds will exclude any salary costs, recoverable costs and overhead allocation and will refer solely to monies available for repairs by outside contractors and the purchase of materials.

15.3 The Finance Consultant will liaise with the Chief Executive / Depute Chief Executive prior to the commencement of the financial year for the purposes of agreeing an annual maintenance/repairs budget. This will be prepared in line with the Association’s budget setting procedures.

15.4 At the commencement of each financial year the Depute Chief Executive will prepare a list of approved contractors for Committee approval which will state the following:

- Trade
- Hourly rate
- VAT registered
- Valid insurance documents

- Equal opportunities and Health & Safety compliance
- Related parties information

15.5 The Depute Chief Executive will maintain detailed project accounts for all major works, development works or where contractor payment is in instalments. This shall be updated on at least a monthly basis to monitor actual spend on each project and to identify any significant under or over spend.

15.6 The Finance Consultant is responsible for ensuring that expenditure remains within budget and managing any significant variances. They are also responsible for providing sufficient explanation for management accounts purposes. The Depute Chief Executive must ensure that all contractors hold up to date and valid insurance cover.

15.7 It must be recognised that circumstances may result in the annual budget allocation being amended during the course of the financial year.

15.8 Where it is expected that specific repair projects will exceed procurement policy limits the appropriate procedures as outlined in the Procurement Policy must be observed unless it is necessary to carry out the work immediately in order to prevent danger to life, limb or property.

15.9 Projections of cyclical maintenance/major repair works must be compiled under the control of the Depute Chief Executive. Currently the Association has a 30 year planned maintenance programme, which will be reviewed annually in order to allow incorporation of the financial effects into the revised long term financial projections.

15.10 There may be circumstances when the Management Committee may wish to deviate from the approved budget. Any decisions made must be recorded in the minute of the meeting and any subsequent variances from the original budget shall be noted through the normal quarterly management accounts.

16. INSURANCE CLAIMS

16.1 The submission of all property insurance claims is the responsibility of the Maintenance Team. All other claims will be dealt with by the Depute Chief Executive / Finance Assistant. Claims must be submitted within 30 days of the incident occurring.

16.2 Whilst it is the responsibility of the Maintenance team to advise and liaise with the loss adjuster on property claims, the Finance Assistant must be made aware, at the outset, of any material issues arising and be kept informed regarding progress.

16.3 It is the responsibility of the Maintenance team to code maintenance invoices in an appropriate manner in order to confirm, to the Finance Assistant, any invoices subject to a claim.

16.4 Copies of all claims should be retained in an Insurance Claims folder which should contain a summary sheet detailing date of incident, date of claim, address, claim amount, payment received and date of receipt. Responsibility for this task lies with the Maintenance Team.

16.5 The Maintenance and Finance Teams should agree the balances outstanding at each quarter end with the trial balance control account for insurance claims. Any differences should be investigated and resolved promptly.

17. RECHARGE INVOICES

17.1 Rechargeable repair invoices shall be issued by the maintenance team in line with the Association's Rechargeable Repairs Policy.

17.2 Jointly procured maintenance contract invoices shall be issued by the finance team. The split of costs within the invoice will be determined in accordance with the contractual agreement.

18. COMPONENT ACCOUNTING

18.1 Programmes of work that will be capitalised will be determined annually within the annual budget, although priorities may change throughout the year, any changes must be agreed and approved by the Management Committee.

18.2 All information relating to the replacement and disposal of components must be given to the Finance Consultant by the Maintenance team.

18.3 The Finance Consultant is responsible for the administration of the Association's component accounting spreadsheet. This includes the recording of all assets, replacements, disposals and depreciation calculations. The Finance Consultant is responsible for updating the spreadsheet at least annually.

18.4 Journal entries must be posted annually for component replacements, disposals and the depreciation charge, once the database has been appropriately updated. The Finance Consultant will be responsible for producing the journal for processing.

18.5 Copy invoices for all replacements must be kept and filed by the Finance team.