

Financial Management Rules of EURACHEM

As agreed by the General Assembly at the meeting on 2013-05-24

1. Responsibility for funds

- 1.1. The General Assembly shall appoint a Treasurer annually. The Treasurer shall be a member of the Executive.
Notes: i) The post of Treasurer may be combined with another Executive post. ii) The existing Treasurer may be re-appointed. iii) The Treasurer automatically becomes a member of the Executive on election and does not need to be elected from the existing executive.
- 1.2. The funds of EURACHEM shall be vested in the Treasurer or such organisation as agreed by the General Assembly from time to time.
- 1.3. The Treasurer may open bank accounts in the name of EURACHEM as necessary for the purpose of safe keeping of accumulated funds.
- 1.4. The Executive shall ensure the proper management of funds and may make any interim arrangements necessary for continuation of proper management, such interim arrangements continuing until the next General Assembly.

2. Control of funds and assets

- 2.1. With the exception of standing payments listed below, the following authorities are required for the release of funds:
 - 2.1.1. The Treasurer may enact legitimate transactions less than 5% of the total of annual members' fees without additional authorisation.
 - 2.1.2. Transactions exceeding 5% and up to 20% of the total of annual members' fees require prior authorisation by one of the Chair, Vice-chairs or Secretary in addition to the Treasurer.
 - 2.1.3. Transactions exceeding 20% and up to 50% of the total of annual members' fees require prior authorisation by at least two of the Chair, Vice-chairs or Secretary in addition to the Treasurer (normally at an Executive meeting).
 - 2.1.4. Transactions exceeding 50% of the total of annual members' fees require prior authorisation by the General Assembly.

3. Use of funds

- 3.1. The funds of EURACHEM may be used for any legitimate purpose in support of the aims and objectives of EURACHEM.

4. Standing Payments

- 4.1. The organisation hosting the Secretariat is normally entitled to receive up to the total of annual fees in any one year in order to offset the costs of administration, including publication of the Newsletter, maintenance of the Website and any other relevant publicity. Where alternative arrangements are made for individual elements of the Secretariat role, the costs of those items shall be deducted from the Secretariat entitlement.

5. Accounts

- 5.1. The Executive Committee shall ensure that accounts are kept in such a manner as to give a good and fair view of the state of EURACHEM's affairs with regard to:
 - 5.1.1. Assets and liabilities of EURACHEM.
 - 5.1.2. Income and expenditure and the matters giving rise to such income and expenditure.
- 5.2. Accounts shall be made available for examination at every meeting of the Executive.
- 5.3. Income and expenditure accounts for the most recent financial year together with a balance sheet made up at the same date shall be presented annually to the General Assembly.
- 5.4. The financial year of EURACHEM shall be the calendar year from January 1st to December 31st.

6. Audit

- 6.1. At least once in every year the accounts of EURACHEM shall be examined and the correctness of the income and expenditure accounts and the balance sheets ascertained by one or more appropriately qualified examiners ("auditor(s)"). A policy for the examination of Eurachem accounts is given in appendix 1.
- 6.2. The auditor(s) shall be appointed by General Assembly and shall not be a member of the Executive for the accounting period in question.

7. Trading

- 7.1. EURACHEM shall not undertake regular trading.

8. Disposal of funds

- 8.1. Funds may not be distributed among the members of EURACHEM.
- 8.2. Should EURACHEM be dissolved, the funds shall be transferred to an organisation or organisations with similar objectives at the sole discretion of the General Assembly.

Appendix 1

Examination of Eurachem accounts

Introduction

This Appendix provides guidance on the responsibility of the examiner. It assumes that the annual income is such that the examiner need not be a qualified accountant and that an independent examination rather than a full audit report is required. This Appendix should be reviewed should the income of Eurachem exceed 100 000 Euros or if general accounting rules for charities reduce the threshold for eligibility for independent examination to a level that requires amendment of this Appendix.

The examination

The examiner should examine the records of income and expenditure kept by the Treasurer and compare the records with bank statements or other statements of funds held on Eurachem's behalf for the end of the accounting period and any cash held by the Treasurer to confirm that the records, after adjustment for outstanding liabilities, match the funds held. The examiner should also examine representative transactions to ensure that they are conducted in accordance with the financial rules of Eurachem.

Content of the examiner's report

The examiner's report on the accounts of Eurachem should include:

- the name of the organisation and period covered by the accounts;
- the basis of the examiner's report, which helps the reader of the report to understand what the examination involved;
- the examiner's name and any relevant professional (financial) qualification held.
- A statement confirming whether or not anything has come to the examiner's attention that indicates that:
 - sufficient accounting records have not been kept;
 - the balances held do not accord with such records;
- any material expenditure or action contrary to the Eurachem MOU and the financial policies in force during the relevant period
- any failure by the Treasurer or Executive to provide information or explanations reasonably required by the examiner.
- any other matter which the examiner believes should be drawn to the attention of the General Assembly to gain a proper understanding of the accounts.

Recommended form of examiner's report:

In the case of a satisfactory examination in which nothing has come to the examiner's attention that raises any material concern, the model statement below 1 is recommended.

Model examination report

The report should be appended to the accounts provided to the General Assembly. One copy bearing the signature of the examiner should be available for inspection and should be held in the Treasurer's records. The following form is recommended where the examination finds no matters of concern.

Where the examination finds any matter of concern the examiner must amend the concluding statement to bring such matters to the attention of the General Assembly

Independent examiner's report on the accounts of Eurachem for the period <start date> to <end date>

I have examined the accounts of Eurachem which are set out on pages 00 to 00 above. My examination was carried out in accordance with the guidance in Appendix 1 of the "Financial Management Rules of EURACHEM" in force for the period in question.

My examination included a review of the accounting records kept by the Treasurer and a comparison of the accounts (including bank statements and any cash held) presented with those records. It also included consideration of any unusual items or disclosures in the accounts, and where necessary sought explanations from the Treasurer and Executive concerning any such matters. The procedure undertaken does not provide all the evidence that would be required in an audit and consequently the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention which

(1) gives me reasonable cause to believe that the accounts presented fail in any material respect to meet the requirements:

- to keep accounting records in accordance with Eurachem financial rules
- to prepare summary accounts which agree with the accounting records

or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name:

Relevant professional qualification or body (if relevant):

Address:

Date:

Signature of Examiner:
