



# **Euro-IX Finance Policy & Process**

*May 2024*





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# Document Version

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Document version	Date Created - Proposer	Date Approved	Changes
1.0	January 2018 – Kurtis Lindqvist	June 2018	Final
2.1	April 2022 221EBM – Bijal Sanghani		Addition of dual authorisation
3.0	January 2024 – Valeria Rossi, edited by Bijal Sanghani		
3.1	May 2024 – edits proposed by Marco Bakker.  Additional review of Luca Cicchelli and Valeria Rossi to make it compliant with Governance Policy		<ol style="list-style-type: none"><li>1. Checking payment for VAT/CIT based on the declaration.</li><li>2. Add quarterly VAT declarations / penalties as a purchase invoice in zero.</li></ol>



# 1. Bank Accounts

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Euro-IX maintains bank accounts in NL and UK. The NL bank account will include a minimum of two Euro-IX directors on the bank mandate.

Bank reconciliations will be undertaken regularly with a minimum of one being undertaken every two weeks in order to maintain close oversight of Euro-IX finances and ensure that any errors or late payments related to Accounts Receivable are identified and resolved quickly. Any errors, unexpected payments or concerns will be notified by the Managing Director to the Euro-IX Chair and Treasurer within one day of being identified.

Recent bank statements related to both entities will be displayed on screen as a .pdf to the Board during each board meeting.

1.1) All invoices from suppliers must be issued to the Euro-IX BV (NL entity) and paid by that entity. The exceptions to this are invoices for services provided solely to the Euro-IX Ltd (UK entity) or relate to the operation of that entity including accounting and legal advice.

1.2) The Managing Director is provided a NL credit card to pay any expenses

1.3) All transfers from the NL account to the UK one must be authorized in writing by one of the Chair or the Vice-Chair or the Treasurer with evidence of what the transfer is e.g. payrolls, insurances, UK taxes.

1.4) The UK bank account is exclusively to pay UK salary/pension/insurances and UK suppliers (if not convenient to pay them from NL account).



## 2. Payments

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**All contracts entered into and payments made must be in accordance with the approved budget.**

2.1) All payments by Euro-IX whether via bank transfer, direct debit or credit card should be undertaken only on the basis of an accurate invoice or receipt being provided. It is the responsibility of the person who makes the payment to ensure that these are accurate.

2.2) All invoice/bill must be related to a previous offer/contractual agreement (for forum hotel/venue etc, an email would be enough).

2.4) Any offer/bill/contractual agreement must be always according to the budget.

2.3) Any offer/contractual agreement outside of the approved budget requires the prior approval of the board.

2.4) All offers/contractual agreement and related payments less than €5.000, if included in the budget, can be signed/accepted/paid autonomously by the Managing Director. The Chair and Treasurer should be informed via email by the Managing Director. The email must have attached the related invoices/receipts.

2.5) All offers/contractual agreement and related payments in the range €5.000 - €10.000, even if included in the budget, must be approved by the Chair or Treasurer, and signed/made autonomously by the Managing Director.

2.6) All offers and related payments over €10.000, if included in the budget, must be approved by the Chair or Treasurer, and made through double authorisation process. See section 7.

2.7) Before any new supplier payments are processed, bank details should be verified via a known legitimate phone number or other method not utilising any contact details on the invoice being paid.

2.8) Payrolls must be paid as per the Payroll Policy. See section 6.



## 3. Registration of Invoices

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### ***Registration of invoices into the system***

3.1) Prior to being issued to the Financial Controller, all accounts payable (AP) invoices should be approved by the Managing Director to ensure that the services or products included on the invoice have been received as ordered, the entity on the invoice is consistent with the company they were ordered from and the amount and currency is correct against the quotation received prior to ordering.

3.2 All payable and receivable invoices must be shared with the Financial Controller who will check the VAT details and agree with the Managing Director the correct ledger in the accountability system (before they are sent).

3.3) All transactions must have a clear description and must have the related invoice (or related documents/receipts) uploaded in the system.



# 4. Statements & EOY Accounts

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## ***Statements and End of Year Accounts***

4.1) The Managing Director must ensure that NL and UK bank statements are available on-line (google drive) on a monthly basis.

4.2) The Board approves the end of the year NL account and the Annual Report (showing the consolidated accounts as drafted by the Managing Director), that will be shared with the membership.



## 5. Quarterly Tax Returns

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***Every quarter Euro-IX file UK and NL VAT returns.***

The Managing Director has ultimate responsibility for ensuring that VAT and other taxation returns and payments for both entities are submitted correctly and in advance of the deadline.

5.1) The UK and NL accountants/the Financial Controller send the draft VAT returns to the Managing Director who will share them with the Chair and the Treasurer.

5.3) They must be recorded with a deadline date of when the payment must be processed, for example the payment amount must be entered into the finance system as a purchase invoice to the creditor Belastingdienst (the NL tax authority).

5.5) The Managing Director will instruct the accountants to submit the returns to the local authorities.

5.6) The filed returns are saved on google drive.

5.7) Any penalties received from the tax authorities, must be registered in the finance system as a purchase invoice to the creditor Belastingdienst.





## 6. Payroll Policy

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***This is the TEMPORARY process to be followed every month to process the Managing Directors salary.***

Euro-IX outsources its payroll management to an external specialist provider.

Any adjustments to monthly payroll, pensions or healthcare insurances related to the Managing Director should be approved in writing by one of the chairperson, vice chairperson or treasurer to the payroll provider in advance of payroll being produced.

The monthly payroll report will be approved by the Chair or the Treasurer prior to payment.

### **Process**

6.1) Managing Director requests the payroll provider to produce the monthly payroll report. Any adjustments to payroll for the Managing Director are provided in writing by one of the Chairperson, vice Chairperson or Treasurer.

6.2) The Managing Director places the payroll related files (including, payslips, P11D, P32) in google drive and informs the Chairs and Treasurer of the amount needed to transfer for this purpose.

6.3) The Chair or the Treasurer approve the transfer of funds for employee costs.

6.4) The Managing Director processes the payments



## 7. Dual Authorisation

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***This outlines how dual authorization works for the NL bank account.***

This procedure is related to payments over the limit of €10.000 stated in 2.6 above:

7.1) The Managing Director receives an invoice, it is placed in google drive invoice folder.

7.2) The Managing Director confirms the bank details with the sender.

7.3) The managing Director informs the Chair and Treasurer about the invoice with the following details:

1. The invoice amount
2. The reason for the payment, e.g. hotel, developers etc

7.4) The Chair or the Treasurer approve the invoice

7.5) The Managing Director creates the payment in Rabobank and informs the Chair and the Treasurer

7.6) The Chair or the Treasurer, process the payment and confirm when it is done.