

## **BUDGETARY CONTROL AND FINANCIAL REPORTING**

The Finance Director will present an annual budget for Board consideration and approval prior to the commencement of the financial year.

The budgets will be prepared by the Finance Section in conjunction with the budget holders. The budget will be accompanied by a description of the main assumptions used in generating the financial figures.

In preparing the budget, reference will be made to the strategic objectives agreed by the Board. Consultation and discussion will take place with the Company's Managers in order to highlight any likely changes in spending or income patterns over the coming year.

The budget is to be discussed and approved by the Board before the start of the financial year. Once approved the budget is to be used as the basis for authority to incur expenditure.

The budget will contain appropriate detail to enable the Board to be satisfied that Weslo is providing Value for Money.

A comparison between budgeted and actual income and expenditure and any budget variances, split between the sub-headings, will be prepared by the Finance Manager and presented at Board meetings for discussion. The Finance Director should report on the management accounts, at every Board meeting, and highlight and discuss any significant differences and the impact on the Company's finances.

The Finance Manger will carry out a full review of all items of income and expenditure at the end of 6 months trading of the financial year. The Finance Director will report to the Board all revisions to forecast outturn from the original budget. This report should be presented to the Board at the first meeting following the completion of the review.

The Finance Director will keep the projected thirty-year corporate cash flow model up to date.