

CODECRUCIBLE FINANCIAL MEMO

As agreed by the board on 15th March 2026

1. Purpose

This document outlines the financial management procedures of CodeCrucible to ensure transparency, accountability and responsible use of funds. It provides guidelines for budgeting, expenditure approval, bookkeeping, financial reporting and internal controls.

Article 7 in the constitution states how CodeCrucibles finances are handled. This document expands on this.

2. Scope

This memo applies to:

- All CodeCrucible coworkers
- Project managers
- Cashier
- Volunteers handling financial resources
- Board members overseeing financial governance
- Partner organizations implementing joint projects

It covers all funds received. Including but not limited to:

- Grants
- Donations
- Partnerships
- Service income
- Sponsorships

3. Financial Management Principles

CodeCrucible follows the following financial principles:

- I. Transparency - All financial transactions are recorded and documented.
- II. Accountability - co workers responsible for funds must account for their use.
- III. Accuracy - Financial records must reflect actual transactions.
- IV. Segregation of duties - Different individuals are responsible for budgeting, attestation, payment and record keeping.

3.1 Method of accounting

CodeCrucible uses double-entry bookkeeping in GnuCash.

In addition to the double entry bookkeeping, analytical accounting is used. That is, each transaction can be attached to a specific project.

4. Budgeting

- a. The cashier, in collaboration with the chairperson, is responsible for making a budget for every quarter (3 month period). The budget contains incomes and expenses for each project.
- b. The cashier also makes a detailed budget for the general incomes and expenditures that is not connected to any specific project.
- c. The project manager for each project makes a project budget. This is regulated in the [Project Memo](#).
- d. Any significant change to a project budget must be approved by management or the donor if required.

5. Attestation instruction

The attestation instruction specifies who is responsible for accepting or denying expenses and making sure they are within the budget.

For example, the budget might say “15k on refreshments in the project #P-2025JAN”. Then, when preparing for a class, someone needs to decide whether we can afford to buy, for example, soda within that budget.

	Role that attests expenses	Comment
Compensation to CodeCrucibles co-workers	Board and project manager	If the co-worker in question for compensation is part of the board, he/she does not take part in the attestation decision.
Compensation to external co workers	Board and project manager	
Costs above 20k	Chairperson or Cashier and Project manager	
Costs below 20k	Project manager	
Costs at events, below	Project manager	

For costs that are not related to any specific project, the chairperson or cashier takes the role of the project manager.

6. Payments

Payments may be made through:

- Bank transfer
- Mobile money (M-Pesa)
- Cash (limited cases)

Guidelines:

- Cash payments should be minimized.
- Every payment must be recorded in the financial system.
- Payment proof must be kept.

Cash Management

If cash is used:

- A cashbook must be maintained.
- Cash must be stored securely.
- Cash balances must be periodically verified.

A designated cashier or responsible officer manages petty cash.

7. Accounting routine

1. The cashier of CodeCrucible is responsible for reporting transactions in GnuCash within two weeks. In the lack of a cashier, the chairperson takes on this responsibility.
2. Transactions recorded include:
 - a. Income received
 - b. Operational expenses
 - c. Project expenses
 - d. co workers payments
 - e. Asset purchases
3. At the end of every budget period, these reports are produced:
 - a. An overview of the balance of each project.
 - b. An income statement of the accounts.
 - c. A balance sheet of the accounts.
4. If the project has restricted funding (for example SIDA projects) the remaining funds must be paid back to the sponsor after the end of the project.
5. Expenses must always be supported with:
 - a. Receipts
 - b. Invoices
 - c. Payment confirmation
6. No payment should be made without proper documentation.

7. Financial audit should be made yearly, or when required by major donors or partners.

A help to this is the [Cashiers Guide](#) .