Principles

In Analog we have multiple overall finance principles. Think of them as our formal agreement with the rest of the world. A principle describes an idea that we as Analog wish to comply with. Please find them in the pages below.

- Legacy of Analog's finances (financial values)
- Slow is the name of the game
- Kontant princippet (Cash principle)
- Momsfritagelse
- Kontoplan
- Automation

Legacy of Analog's finances (financial values)

Ensure the longevity of Analog

Taking care of Analog and Analog's finances means leaving it better than we found it. Avoid ticking time bombs - if something isn't right, try your best to fix it.

If there is a problem and someone has a proposal for a solution, one should consider the added value by going through with the measure and discuss how the proposal aligns with the general Analog values as well as the financial values. This should happen at a board meeting (at the very least).

For example in 2020, we decided to re-organise our finances by going back 3 years and redoing the finances. Although the process was costly (about 50.000 dkk), the board deemed it fitting as it would be an investment in the correctness, transparency and trustworthiness of Analog's accounting. The values of this proposal were as follows:

- Transparency and trustworthiness in accounting practices
- Properness: follow best practice, comply with legal requirements
- Accounting as an Analog internal practice: The board of Analog should have knowledge of Analog's finances and be able to see through the accounting structures with some introduction.

Trust the individual barista

The individual barista should have the possibility to spend xxx amount of dkk without having to ask for permission. The barista is responsible for only spending money on items/services contributing to Analog; the café, your shift, the customers, the baristas or the overall Analog spirit.

Freedom under responsibility as the main guideline.

Expenses benefitting Analog are okay

Expenses larger than the amount stated above, should be approved by a board member. As long as the expense contributes to Analog and seems rather sensible, the board member is allowed to approve it. If the board member deems the decision larger than themselves, they may then bring the decision to a board meeting or go to the Chair Person or Vice Chair.

Slow is the name of the game

Finances are not about paying people fast, and giving quick estimates. To be a truly good treasurer, you must have the spirit of a turtle. We move slow, but we do it right.

That means that paying someone late, because a receipt is missing, is a good strategy. It means that spending time making a better workflow is better than working fast with a bad workflow. It means that you may tell someone to do something differently because the practice is bad and it burdens you with extra work.

While day to day, you will find that you deviate from being the "turtle" - always remember that you can always say no and hide in your shell. To protect yourself and Analog. It is my way or **you** can be the treasurer!

For example: You may end up paying back people quickly to please them. But remember to take care of yourself and your mental health - nothing is as urgent that it can't be done tomorrow, next week or a month from now. If the whole house come burning down, contact the rest of the board, and we will do our best to assist.

Kontant princippet (Cash principle)

Analog has no physical cash in our finances, but we choose to act like our online finances are described as if we had a cash box of money. Say we pay for a service or earn money, then we bookkeep it on the same day that our money leaves or enters our bank account.

This means that if we place and order for coffee in one financial year (eg. June, 2020) and pay it in another financial year (eg. July, 2020). Then we bookkeep it as it was money spent in the financial year of the payment (eg. June, 2020). This seems counterintuitive, but it is either this or that we make sure all dates match the day that we place the order or the money is paid to us. This is a legal requirement.

We were advised to do our finances this way by **Harboe Consult** back in 2020.

Momsfritagelse

We in Analog have been advised by **Harboe Consult** back in 2020 to ask to be *"moms fritaget"*. This can be achieved if we as a volunteering organisation can live up to some criteria from SKAT defined by the danish Law. Right now we do our finances as if we are *"moms fritaget"*. This makes it easier for us to do accounting.

If you read this document in September 2021 or later. You might have some extra information that should be added here. But as of August 2021, we are still waiting on the final answer from SKAT regarding if we are *"moms fritaget"*

Kontoplan

We choose to have a kontoplan that is more specific than what is required. Say we could bookkeep every expense as a generic expense, we choose to have multiple smaller expense codes for things like coffee, milk, repairs and so on.

We think that this enables better transparency. When we get reports from E-conomic, then we get a better view of our finances. You can always argue that two expense codes could be combined or made into multiple new ones. We choose to combine or split expense codes if we find that it gives a better insight into our finances. The downside to this is that it makes it a bit harder to do the bookkeeping. But it is well worth it we think.

You can always add new expense codes. But you may never remove them! As this will fuck up the old accounting. If you are unhappy about this then yell at us or E-conomic. Or the danish law. Either way there is not much we can do about it.

Automation

We are always interested in making the Analog finances more automated. We have spent quite a bit of time making sure that whenever we automate something that nothing falls in between the cracks of the automation.

An example of this is the AutoBank feature of E-conomic. We can manually import the transactions into E-conomic (as of 2020) , but we choose to pay for a service that does this automatically (as of 2020). Sometimes this stops working or it imports things more than once. This is an ongoing problem with automation.

We hope that you will take the time to look at the Policies document to get an idea of what happens automatically. We also hope you will update the document when more automation is put into place. In the end if we do our job correctly, then we can make it easier in the future.