

# Group Finance Officer guidance

Thank you for giving your time and skills as an MND Association Group Finance Officer. This guidance is intended to provide you information on your role and to provide guidance and information on the management of Group finances.

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## 1. Glossary

Annual transfer	The transfer made to central funds at the end of each financial year based on accumulated reserves. The current calculation is for 50% of unrestricted reserves to be transferred, with the proviso that the transfer must not reduce group funds below £6,000.
Francis Crick House (FCH)	FCH is the name of the office building in Northampton where the majority of MND Association staff are based.
Restricted funds	Funds raised for specific purposes, requested by the donor at the time the gift is made. This money is then only allocated to expenditure meeting these restrictions by the donor.
The Portal and Portal ID	The volunteer portal is a tool used by volunteers to access information held on the central MND Association database. All contacts recorded on this system have a unique identification number known as a Portal ID
GDPR	General Data Protection Regulations is a legal framework that sets out guidelines for the collection and processing of personal information from individuals who live in the UK and the EU
ASC	Area Support Coordinator's are MND Association staff providing local support to volunteers and people living with and affected by MND
AV	Association Visitor's are MND Association volunteers who provide support to people living with and affected by MND in their local area

## 2. The role of the Finance Officer

### What the role means to the group

The Finance Officer role is an important role for MND Association Groups.

There are three main strands to the role:

Last updated – March 2021

Registered Charity No. 294354

- A. Review
- B. Banking
- C. Report

## A. Reviewing group finances

This aspect of the role is to ensure that the group is following MND Association guidance and best practice in relation to financial management. This might include ensuring appropriate financial controls are in place, ensuring the funds are spent in line with the MND Associations guidance and ensuring that payments and donations are recorded accurately

## B. Banking group finances

### Banking Receipts

Banking of money from donations is an important part of the role. Amounts should be paid in on a paying-in slip from the group paying-in book and should be paid in as soon as possible. The Association currently banks with Lloyds Bank. If you do not have a branch of Lloyds nearby donations can also be sent to the Finance Team at Francis Crick House for banking on your behalf.

### Acknowledging Receipts

As a Group Finance Officer you may also be involved in writing acknowledgement letters to donors. Writing acknowledgment letters are a way to thank donors and also confirms to the donor how much money was received and that it was received safely.

### Communicating Details of Receipts

The accounts for groups are prepared by the Finance Team at Francis Crick House.

To ensure that financial activity recorded is accurate and up to date please provide the following information to the finance team after each banking activity.

- Paying-in slip number
- Donor details
- Nature of donation e.g. in memoriam, fundraising event, etc
- Send in any original documentation received with the donation for filing
- Any restrictions requested by the donor

## Reporting group finances

It is important that volunteer involved in the running of the group understand the current financial position and the finance officer plays an important role in helping the wider members understand this information via a report the group finances at group meetings.

In most cases it is likely this will be a verbal report as part of the meeting, however if this is not possible a report can be emailed to committee members, together with a commentary. It may also be possible for another member of the committee to provide a verbal report on your behalf.

A report detailing receipts and payments will be sent to you each month by the Finance Team and Francis Crick house which will provide the information you need.

## Services provided by the finance team at Francis Crick House

The Finance team at Francis Crick House will be able to assist you in your role in a range of areas.

## Monthly Reports

The Finance Team produce monthly reports on the financial activit of the group and and send them to the Group Finance Officer, the relevant Area Support Co-ordinator and anyone else as requested by the group. With your knowledge of recent group activities, please review the report once received to check that it looks accurate and complete.

## Quarterly Reports

Quarterly reports are produced by the Finance Team at Francis Crick House.

These reports demonstrate to our central, external auditors that we are reviewing group accounts during the financial year. By doing so, we can spare the year-end obligation of audits.

## Annual Returns

An annual return is produced for consolidation into the statutory financial statements of the Association which are ultimately filed with the Charities Commission and Companies House.

## Gift Aid

Claiming *Gift Aid* back from HMRC is administered by FCH.

As a Group Finance Officer you can help ensure that the MND Association can maximise the amount of tax the group can recover, by following the guidance set out within "Other notes" later in this document.

## Legacies

All legacy income due to the MND Association is notified by the probate office to our legacy officer at FCH. If any legacy monies are paid or notified directly to the group, please could you provide details in order to minimise the risk of executors being chased inadvertently at what is likely to be an emotional time for a bereaved family. As a charity we are required to confirm once the legacy monies have been received by discharging the executors of their obligations, but this can only be completed by FCH rather than the group to meet our statutory obligations.

## Other queries

We appreciate that there may be other situations for which you may require advice or information in your day-to-day running of your group finances. In these situations, please do not hesitate to contact the Finance Team.

## Volunteer expenses

For more guidance about volunteer expenses please use the below resources:

- [Volunteer expenses policy](#)
- [Expenses guidance](#)
- [Expenses claim form](#)

Groups are expected to pay the expenses of Association Visitors and support volunteers operating in their area. Please do ensure all group volunteers know that they can claim back expenses for costs incurred whilst volunteering and that there is a process for approving these payments within the group. Please be sensitive to people's differing financial situations and provide a discreet means for people to claim back expenses owing without fear of embarrassment.

## Examples of inappropriate use of group funds:

This is not intended to be an exhaustive list. If in doubt, please do contact the Finance Team at Francis Crick House.

Staff	Branches and groups are not permitted to employ staff. As such, un-invoiced payments should be checked to ensure they are not effectively salary payments. Groups are also not authorised to pay other parties to employ staff unless agreed with the Director of Care Improvement.
Other charities	Payments to other charities are not permitted under charity law. This does not, however, apply to payments to other charitable organisations for genuine branch purposes e.g. rent of a meeting room etc.
Research not via Francis Crick House	As all research is co-ordinated centrally to ensure most effective funding, any payments required for research projects should be agreed by the Director of Research or CEO usually via the Head of Region.
NHS	As above, NHS or social care spend is approved centrally, so such payments should be approved via the ASC and Head of Region in the first instance.
Cash gifts or vouchers	We prefer groups not to give unsolicited cheques or vouchers to people living with MND, but rather encourage the take up of specific quality of life grants instead. Should groups still want to give cheques, they are asked to limit these to £30 maximum per person living with MND.
Alcohol	Purchases of alcohol should not be approved for payment without prior agreement from the Area Support Coordinator
Equipment	Groups are not authorised to purchase, store or own health care and support equipment for example wheelchairs, riser-recliners.
Spending limit	According to the <i>Group Agreement for Working Together</i> , groups are not authorised to spend on any item or service an amount higher than the maximum allowed for a support grant, without prior agreement (in the first instance with the ASC and Head of Region)

If you are unsure as to the legitimacy of any financial transaction, whether a payment or a receipt, then please do contact the Finance Team in the first instance or discuss the situation with your ASC.

## 3. Financial Controls

The following financial controls are a set of checks and procedures that ensure the safeguarding of the group's finances. This includes administering the finances in a way that identifies and manages risk and ensures effective reporting is taking place.

### Monthly reporting

By reporting financial information back to the committee, it makes all financial transactions transparent to an informed audience who can then review and question.

### Cash counting

When counting cash collections, two people should be present to witness, count and co-sign to confirm the amount.

Cash payments at a fundraising event should not be paid from cash raised at the event. Doing so may result in deflated receipts and payments not being recorded as well as leading to the possibility of the integrity of the takings being questioned.

### Related parties

Transacting with a related party should be reported to the committee, e.g. hiring a room for meetings from a branch member, etc. in order to ensure that there are no questions regarding independence of the branch.

## 4. Other Notes

### Restricted funds

A restricted fund refers to a reserve of money that can only be used for a specific project or purpose.

Where donations are restricted income and specific to an individual group, anywhere where the fundraising is being logged this must specifically be stated.

Donations should only be recorded as restricted where the donor has asked for their donations to be used for a specific purpose. Donors should not be asked about restriction and volunteers may not suggest that donations are restricted. This is a requirement of fundraising law and the requests of the donor must be stated independently, without prompting. Written confirmation of the donor's wish to restrict must be obtained for audit purposes and this written confirmation must be provided to FCH as evidence.

Fundraising should be for unrestricted funds unless the restriction is unavoidable. A group cannot unilaterally decide to restrict a proportion of its funds (unless requested by the donor) and cannot hold activities with the intention of raising restricted funds unless this has been agreed in advance with the Head of Region or a director.

If an individual fundraiser who is raising money on behalf of a group wishes to restrict their donation then the information on how it is being restricted must be provided to those who are donating. For example, the intended restriction must be displayed clearly on the page of an online donation platform such as JustGiving when the page is created.

If a JustGiving page is changed to add a restriction, then the supporter care team FHC must be notified as soon as possible by emailing [incomeprocessingadminteam@mndassociation.org](mailto:incomeprocessingadminteam@mndassociation.org)  
Please talk to your Regional Fundraiser if you are in any doubt.

Care should always be exercised when accepting monies for restricted purposes. There is an expectation for us to act as stewards of such donations and be able to report back to donors as to the usage of their funds in a reasonable timeframe. As such, you should be wary of accepting donations for purposes where you think you may not be able to spend the money within a 12-month period. There is a legal requirement to ensure that donors providing restricted donations know that this money will be used within a reasonable time frame. Should there be an issue that restricted funds cannot be spent, they should be offered back to the donor in the first instance and alternative use suggested (which may be unrestricted for general group activity).

Please seek advice from your Regional Fundraiser if you are unsure.

### Recording Restricted Funds

Analysis of each restricted fund's income and expenditure is an important task and can be completed by using the restricted funds sheet within the cashbook. Please note, this is an area of significant scrutiny by our auditors.

Please also record any restricted funds using the restricted funds form. [Link Here](#)

This form asks for the following information:

Donation amount	The total amount donated
Donor name	The name of the donor
Donation type	The type of donation: Legacy, individual gift, organised fundraising activity by supporter, organised fundraising activity by a third party (e.g. London Marathon), Trust/foundation, Benevolent society (e.g. Rotary Club)
Method of transfer	The method of transfer: Cheque, bank transfer, cash transfer, online donation page
Wording of the restriction	The wording of the restriction
Area of our work the restriction relates to (if applicable)	The area of our work the restriction relates to: Research, care, campaigning, fundraising, costs, a specific project or other
Geographical area the restriction relates to (if applicable)	Any geographical restrictions for example: Branch area (e.g. West Sussex South), County, Region (e.g. South West England), Country (e.g. Wales), Local town, Other
Donor's wishes if their donation cannot be spent in this area of work or geographical area	The donor's wishes if it is not possible to spend the donation in the way the restriction was intended
Donor's wishes if their donation cannot be spent within 12 months	The donor's wishes if it is not possible to spend the donation in the way the restriction was intended within 12 months

## Gift Aid

The income from Gift Aid reclaims can be a significant sum to a group.

Before Gift Aid can be claimed on a receipt, the donation must meet certain HMRC criteria:

- It must be a personal donation made by a UK taxpayer
- The donor must not have received a "benefit" from making the donation (e.g. a raffle ticket, entry free for an event)
- The donor must not be related to the fundraiser if the fundraiser receives a benefit from the MND Association e.g. the Association has given the fundraiser a Golden Bond place for an event.

The donor must also meet certain HMRC criteria:

- The donation must be from a living individual (not a corporate body)
- The donation must be from the donor's own funds
- The donor must have paid enough tax in the tax year to allow for a tax reclaim
- The donor must make a suitable Gift Aid declaration:
  - For an individual, this can be done on a Gift Aid declaration form or via a specific gift envelope (available from the volunteering team)
  - For a sponsored event, this should be made by sponsors via an official sponsorship form, which is pre-printed with the relevant wording as agreed with HMRC (available from the volunteering team)

Where you receive such forms, they should be forwarded to the Finance Team at FCH who will process the claim with HMRC and make sure that funds are transferred to your group. It is important to double check before sending the forms on that the proof of eligibility for Gift Aid box is ticked.

To maximise the amount we can claim, please include a reconciliation of when the donations on the forms were banked when forwarding to FCH. This ensure requests can process efficiently, as it is a requirement to demonstrate to HMRC where amounts claimed were paid into a bank account.

## Petty cash

A cash float may be issued to a group member to cover small, irregular payments which would be impracticable to pay by cheque (e.g. tea or coffee for meetings etc). Please note that with contactless payments cashless transactions for low amounts are widely accepted.

Upon issue of such a float, the holder should be asked to sign a receipt to acknowledge that they are holding group funds and it should be explained to them that they will be required to return the full amount of the float should they no longer have the need to hold it.

Float top-ups should be recorded in the same way as an expense claim would be i.e. receipts should be submitted to the finance team.

However, this arrangement should be regularly reviewed to ensure this is still appropriate.

## Asset purchase

Items of high material value that fall under the "Fixed Asset" rule should be reported to the Finance Team at FCH who will record this as an asset. An example of such a purchase would be Laptop. Please also provide confirmation of what the asset will be used for.

## VAT

The Association is not VAT registered, so costs should be recorded including VAT. However, it is worth noting that certain payments should not include VAT at all, such as advertising and the supply of equipment which is specifically for the use of a person living with MND.

## Charity vouchers

You may receive a charity voucher from a donor, which, whilst looking like a standard cheque, should not be presented to the bank. Most voucher administrators (CAF, KKL, Charities Trust etc) will only pay directly to the MND Association bank account. Please submit all vouchers to FCH for processing but note the references down for your own records. We would recommend emailing the Finance Team when vouchers have been posted as a safety check, should there be any delays in the postal service. Once processed and the money has been received directly the branch will receive notification and the transfer will be made the following month.

## Data protection

Sensitive personal information (Including names, addresses, phone numbers, email addresses) should not be stored for longer than necessary and should not be given to anyone other than the intended recipient.

In your role as treasurer, this will generally involve:

- Taking care not to report full names of financial support recipients on any published financial reports (use of initials and portal ID are acceptable)
- Safeguarding records such as keeping documentation in a secure location, password protecting computers and documents and backing-up spreadsheets

## Succession planning

The group agreement states that it is preferable that a Finance Officer does not hold post for more than six consecutive years without at least a year's break and it is important for branches to consider succession planning for this and other key roles within the group. This is important to not only provide the treasurer



with an assurance that the branch is not totally dependent on them as an individual but also a rotation of members leads to fresh ideas.

The ASCs will actively support branches in recruiting and ensuring the well-being of all branch volunteer

## 5. Other resources

If you have any questions about anything contained in this guidance, or you come across anything in the day-to-day running on which you would like advice, then please do contact a member of the team, who will be only too pleased to help:

*For all queries regarding expenses, spreadsheets, Gift Aid, bank matters or any other question or issue which you may wish to discuss*

E: [branchandgroupfinance@mndassociation.org](mailto:branchandgroupfinance@mndassociation.org)

T: 01604 611817

T: 01604 611801

*For assisting with all matters relating to your role as a volunteer you can contact your Area Support Coordinator or the central volunteering team*

E: [volunteering@mndassociation.org](mailto:volunteering@mndassociation.org)

T: 01604 611681

*For matters relating to fundraising or restrictions on donations you can contact your Regional Fundraiser or the central fundraising team*

E: [fundraising@mndassociation.org](mailto:fundraising@mndassociation.org)

T: 01604 611860

Your branch agreement for working together will also contain useful information regarding the running of your branch; including a specific section on finances.



# Appendix - example charity vouchers

**CAF** Charities Aid Foundation

CAF Charity Account

Account number  
A 10122950  
CAF Charity Cheque no  
1000456

Pay Motor Neurone Disease Association Date 6-11-15  
 Amount in words Fifty Pounds £ 50  
 A gift from ~~CAF Charities Aid Foundation~~  
 Signature ~~[Signature]~~  
 Please tick if you require the charity to send you a receipt

**TO BE COMPLETED BY CHARITY - SEE OVERLEAF FOR INSTRUCTIONS**

Charity name: MOTOR NEURONE DISEASE ASSOCIATION  
 Address: P.O. Box 248  
NORTHAMPTON  
NN1 2FR  
 Telephone: 01604 294354  
 Registered Charity No: 294354

Charity registration number: \_\_\_\_\_  
 Bank/building society name and branch: \_\_\_\_\_  
 Building society roll number: \_\_\_\_\_  
 Bank sort code: \_\_\_\_\_ Bank account number: \_\_\_\_\_

**DO NOT PRESENT TO A BANK DO NOT PRESENT TO A BANK DO NOT PRESENT TO A BANK DO NOT PRESENT TO A BANK**

**My Giving Account**  
by **Charities Trust**

**Charity Donation**  
 Pass this to a charity of your choice.  
**DO NOT PRESENT THROUGH A BANK**  
 A/C No: SP 001065 Charity Cheque No: 552547

Pay: Motor Neurone Disease Association Date: 24/11/2015  
 Amount in words: Twenty pounds £ 20-00  
 (Please do not write a charity cheque for less than £5.00)  
 A gift from...  
 Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 (Please tick if you wish to remain anonymous to the charity)  
 Signature ~~[Signature]~~

**To be completed by Charity:**  
 Please tick to confirm that you do not need to send Bank Details verification (See point 4 overleaf for more details)

Charity Name: \_\_\_\_\_ Bank A/C No: \_\_\_\_\_  
 Charity Registration No: \_\_\_\_\_ Bank Sort Code: \_\_\_\_\_  
 Bank name or branch: \_\_\_\_\_ **DO NOT PRESENT THROUGH A BANK**