

Branch Treasurer's guidance

Thank you for giving your time and skills as an MND Association Branch Treasurer. This guidance is intended to provide you information on your role and to provide guidance and information on the management of Branch 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 branch funds below £6,000.
Branch management committee (BMC)	The committee responsible for the running of a branch, of which the Treasurer is a member. The branch management committee includes the Chair, Vice Chair, Secretary and Treasurer and may have other members too
Cashbook	The spreadsheet provided at the start of each financial year. By entering receipt and payment details, monthly, quarterly and annual reports are produced automatically within the same document.
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 Treasurer

What the role means to the branch

The branch treasurer role is important, highlighted by the fact that it is a mandatory role for every branch and a key member of the branch management committee.

There are three main strands to the role:

- A. Review
- B. Record
- C. Report

A. Reviewing branch finances

This aspect of the role is to ensure that the branch 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. Recording branch finances

Branch finances should be recorded on the spreadsheet cashbook provided by FCH at the start of each financial year.

Using the spreadsheet cashbook is important as it ensures consistency of reporting for all branches. The cashbook also automates the production of monthly reports to share at committee meetings as well as for the quarterly and annual returns to FCH.

Recording receipts

The first thing to consider is whether the receipt is from FCH or from another donor. If from FCH, only consider the columns headed in **blue**. If not from FCH, you need only consider those columns headed in **orange**.

Receipts should be recorded on the 'receipts' tab in the cashbook on the date of receipt, rather than the date banked, and noted on the bank reconciliation if not banked or cleared on the statement by the month end.

Whatever detail is typed into columns B and C on this tab will automatically update the relevant month's *Monthly Report*. It is helpful to use the descriptions to provide a more detailed picture for reports that is as easy to understand but also maintains confidentiality of individuals where necessary.

Recording payments

As with receipts, please record any payments to FCH on the 'payments' tab in the columns headed **blue** and to any other party in the **orange** columns.

Payments should be recorded on the date made i.e. in the case of cheques – on the date the cheque is written and in the case of any payments directly from the bank – on the date it appears on the bank statement.

At the end of each quarter please ensure that any uncleared cheques are noted in the bank section of the cashbook.

Again, whatever detail is typed into columns B and C on this tab will then populate the payments section of the relevant month's *Monthly Report*.

When giving money to a person with MND in the form of a grant it is important to record each grant individually in the cashbook the type of grant, who the grant was for (using only the Portal ID and initials to maintain confidentiality) and the exact amount. This enables the reconciliation of local spend on an individual in grant payments with national spending on grants and ensuring this is within our agreed limit of £3000 per person per year.

C. Reporting branch finances

The monthly report provides a snapshot of the bank position at the previous month end, and visibility of what money has recently been received and spent. It is important to have visibility of the money that has been received and spent as part of ensuring your branch has robust financial controls in place ensuring safe and effective management of funds.

There is a requirement to report in the branch finances at each branch committee meeting. 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.

What does the role mean to FCH?

Branch Treasurers play a key role in ensuring the MND Association can meet its statutory obligations for reporting our finances.

The following areas highlight how Branch Treasurers and MND Association staff can work in partnership to ensure we meet our obligations.

Quarterly returns

These are produced automatically from the information entered on the 'receipts' and 'payments' tabs in your cashbook spreadsheet and should be submitted by emailing the spreadsheet to FCH within 2-3 weeks of the month end.

Please make sure that quarterly returns balance ahead of submission.

By doing this, it is possible to demonstrate to the MND Association's auditors that branch accounts are reviewed during the financial year.

Annual returns

The annual return is produced automatically from information entered in the cashbook.

- The annual return pack comprises not only the financial statement, but also includes pages concerning restricted funds analysis, an annual transfer calculation and a branch committee declaration which is to be signed by yourself and the chair.
- The Profit & Loss and Balance Sheet account and the Annual Transfer Calculation are both produced automatically from the information entered in the Receipts & Payments sections of the cashbook.

The following sections are completed manually

- The Fixed Assets Summary
- The Grants Schedule
- The Restricted Funds Movements (these are recorded manually from the Receipts & Payments entries and in balance with the automated total generated)

This confirms that all relevant rules and guidance have been followed during the year in preparing your accounts.

This must be submitted by the third week of January. Please make sure that annual returns balance ahead of submission.

Gift Aid

Claiming *Gift Aid* back from HMRC is administered by FCH. Regular submissions each quarter are preferable as the turnaround for payments from HMRC is more efficient if done regularly. It is the local treasurer's role though to ensure that we can maximise the amount of tax the branch can recover, by following the guidance set out within "Other notes".

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 branch, 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 local/branch level to meet our statutory obligations. Legacies that are received directly by FCH will be transferred to branch bank accounts in the month following receipt.

Amounts due to/ from FCH

Whenever you receive a transfer from or are required to make a payment to FCH, you will receive an email confirmation for your records. These may be transfers of donations or *Gift Aid* received centrally or the payment of care invoices. Please ensure all FCH transfers are allocated to the appropriate **Blue** column sections of the cashbook.

Currently, these will show on your bank statement as a transfer and will reference the FCH bank account number, which is 02952679. Transfers to branch accounts will take place no later than the month following receipt by FCH.

Bank issues

For changes to cheque signatories, or any other questions you may have regarding your bank account, please contact the branch & group accountant at FCH. Where signatories need to be changed FCH will have access to the most up-to-date mandates and will coordinate changes through our dedicated bank support.

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 branch finances. In these situations, please do not hesitate to contact the Finance Team.

3. Financial reporting – the cashbook

Receipts

The cashbook can be navigated by the buttons found on each page. By clicking the 'Receipts' button, we can enter income from whatever source. Required entries are as follows:

Column	Description	Notes
A	Date	The date received by the branch
B	Received from	The donor name
C	Description	Detail of receipt e.g. donation, sponsored walk etc
D	Paying-in reference	The paying-in slip number or other reference
E	Restr.	Tick this box only if the receipt has a restriction

Once the above has been completed, please enter amounts in the relevant detail columns J to AC.

Most analysis columns will be self-explanatory, but where you see a red triangle in the column heading (e.g. in column M), by hovering your mouse over that heading this will open up a more detailed note as to what ordinarily you would record in that particular column.

If you use the monthly report for your committee reporting (that is embedded into the cashbook), then where a single paying-in slip includes donations from various sources which you should show separately, these should be analysed on separate lines and the same reference number used in column D.

Similarly, where a receipt includes any amount to come from a restricted donation then this must be recorded on a separate line and the restricted box ticked in column E so that it is added to the restricted reserves balance.

Payments

Payments from branch funds should only be for spend incurred wholly, exclusively and necessarily for branch activities.

By navigating to the 'Payments' tab, you can enter details relating to payments from both the branch bank account and any unrepresented cheques:

Column	Description	Notes
A	Date	The date a cheque is written / other payment appears in the bank
B	Payment to	In the case of financial support payment full names should not be used. Instead use the Portal ID and initials. Please be sure to use a separate line for each recipient.
C	Description	Reason for payment (as above this may need to be tailored/details redacted)
D	Cheque / payment No.	Cheque number, or other reference if payment is not by cheque – ability to cross-reference back to documentation
E	Cleared date	Useful for bank reconciliation. Date payment taken from the account
F	Invoice No. / ref	Recording supplier invoice numbers – help to avoid duplicate payments
G	FS recipient / other detail	This column isn't reported – more detail can be provided than column B providing detail isn't emailed to the committee with the monthly reports as this would be a GDPR risk.
H	Restr.	Tick only if payment relates to restricted funding matching restricted income raised for the branch

Note that where a payment is for multiple purposes, then it can be split between multiple analysis columns.

Volunteer expenses

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

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

Branches are expected to pay the expenses of volunteers operating in their area. Please do ensure all branch 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 Branch. 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 branch funds:

This is not intended to be an exhaustive list. If in doubt, please do contact the branch & group accountant.

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. Branches 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 branches 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 branches and 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	Branches are not authorised to purchase, store or own health care and support equipment for example wheelchairs, riser-recliners.
Spending limit	According to the <i>Branch Agreement for Working Together</i> , branches 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.

4. Financial Controls

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

Bank reconciliation

The cashbook spreadsheet contains a separate bank reconciliation report for each month. The bank reconciliation is one of the most important tasks to complete as treasurer as it confirms the completeness and accuracy of details entered and serves as an aide memoire for chasing up outstanding payments or receipts. The bank reconciliation should be completed on a monthly basis.

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.

Payment approvals

Cheques must be signed by two authorised signatories, who will be committee members. The two signatories must not be related. Despite logistical issues surrounding getting cheques signed, the practice of having one-person pre-sign cheques is not allowed. Such practices leave individual's open to possible fraud and accusations of fraud. The same rules would apply to the release of any BACS payment.

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.

Record retention

Where possible, receipts and payments should be accompanied by documentation such as invoices, receipts, letters, etc. to confirm amounts paid and the validity of those amounts. In addition, bank statements, cheque book stubs and paying-in books should also be retained.

Documents for the current year's transactions plus the previous six years must be securely stored. Should space become an issue, then records can be stored at Central Office in Northampton.

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.

5. 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 receipts are restricted income and specific to an individual branch, anywhere where the fundraising is being logged this must specifically be stated.

Receipts 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 Branch committee 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 branch 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 Please talk to your Regional Fundraiser if you require support or further information.

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 to 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](#).

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
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Gift Aid

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

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 in FCH who will process the claim with HMRC and make sure that funds are transferred back to your branch. 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 branch 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 branch 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 as a payment in the cashbook in the same way as an expense claim would be i.e. receipts should be submitted and the cheque to top-up the float should be analysed across all relevant columns.

However, this arrangement should be regularly reviewed to ensure this is still appropriate and agreed by the BMC.

Asset Purchase

Items of high material value that fall under the “Fixed Asset” rule should be reflected accordingly within the “Fixed Asset” tab. 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

Audit

There is no requirement for your branch to obtain an external audit.

As a part of the annual audit for the MND Association, the external auditors will select a handful of branches to be visited each year and a further circa 10 branches to complete audit questionnaires. Should your branch be selected for a visit, we will work with you to select a time which is convenient for both parties.

Succession Planning

The branch agreement states that it is preferable that a treasurer 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

6. 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

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

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

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 **1000458**

Pay Motor Neurone Disease Association Date 6-11-15
Amount in words Fifty Pounds £ 50 —
A gift from ~~XXXXXXXXXXXX~~
Signature ~~XXXXXXXXXXXX~~
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 Charity registration number
Address P.O. Box 248 Bank/building society name and branch
NORTHAMPTON Building society roll number
NN1 2FH Bank sort code
Telephone: 01804 291665 Bank account number
Registered Charity No: 294354 Telephone 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 **Charity Donation**
by **Charities Trust** Pass this to a charity of your choice.
A/C No: SP 001065 **DO NOT PRESENT THROUGH A BANK**
Charity Cheque No: 552547

Pay: Motor Neurone Disease Association Date: 24/11/2015
Amount in words: Twenty pounds
(Please do not write a charity cheque for less than £2.00)
A gift from...
Name: _____
Address: _____
Leave this box blank if you wish to remain anonymous to the charity.
Signature ~~XXXXXXXXXXXX~~

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**