



# UNITY OF MIGRANT WORKERS (UMW)

## Financial Records and Accounts Policy

Updated: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

### 1) Financial records must be kept so that:

- UMW meets its legal and statutory obligations (e.g., Charities Act, HMRC requirements and common law).
- Trustees have proper financial control of the organisation.
- UMW meets the contractual obligations and requirements of funders.

### 2) The books of accounts must include:

- A cashbook analysing all transactions appearing on the bank accounts.
- A petty cash book if cash payments are made.
- Payroll records compliant with PAYE (e.g., HMRC RTI submissions, P11/P60/P45 where applicable).

### 3) Year■end accounts

Accounts will be drawn up at the end of each financial year within 3 months of the financial year end and presented to the next Annual General Meeting (AGM).

### 4) Budget approval

Prior to the start of each financial year, trustees will approve a budgeted income and expenditure account for the following year.

### 5) In■year monitoring

A report comparing actual income and expenditure with the budget will be presented to trustees at least quarterly (or at each trustee meeting).

### 6) Audit / Independent examination

The AGM will appoint an appropriately qualified auditor or independent examiner to audit/examine the accounts before presentation to the next AGM.

## Banking

|            |                      |
|------------|----------------------|
| Bank name: | <input type="text"/> |
|------------|----------------------|



|                 |                                |
|-----------------|--------------------------------|
| Branch:         | _____                          |
| Account name:   | Unity of Migrant Workers (UMW) |
| Sort code:      | ____■____                      |
| Account number: | _____                          |

- The bank mandate will always be approved and minuted by the trustees; any changes will also be approved and minuted.
- Monthly bank statements will be obtained. These will be reconciled to the cashbook at least quarterly; the Treasurer will spot■check and sign the reconciliation at least twice a year.
- UMW will not use other banks, overdraft facilities or loans without trustee approval minuted in advance.

## Income

- All monies received will be recorded promptly in the cash analysis book and banked without delay (including sundry receipts such as telephone/photocopying recharges).
- UMW will maintain files of documentation to support all income (grant/funder letters, remittance advices, receipts).

## Payments (expenditure)

- All expenditure must be for UMW's business and properly authorised. The latest approved budget authorises spending up to budgeted limits, not beyond.
- The Director (or delegated finance officer) is responsible for holding cheque books and payment instruments; these must be kept securely.
- Blank cheques will never be signed. Payee names are inserted before signature and cheque stubs completed in full.
- No cheque or payment is to be made without original supporting documentation (see Payment documentation).

## Payment documentation

- Every payment will be evidenced by an original invoice (not solely a statement/final demand). Invoices will be retained and filed. Signatories will record cheque/BACS reference, date and amount on the invoice.
- Exceptions include advance fees (e.g., training deposits, venue deposits) or statutory payments (e.g., VAT/HMRC). In these cases a cheque/BACS requisition form will be used and a copy of the payment



confirmation retained.

- Wages and salaries: every payment must have a clear audit trail (authorised payroll reports, HMRC returns). All employees will be paid within PAYE and National Insurance regulations.
- Staff appointments/departures and changes in pay/hours will be authorised by trustees and minuted (with effective dates).

## Petty cash

- Petty cash will operate on an imprest system. The Administration Worker will hold a float of £\_\_\_\_\_, agreed by trustees.
- When replenishing, a cheque/BACS will be drawn to restore the float to the agreed amount. The claim must be supported by vouchers/receipts totalling the required amount and analysed appropriately.

## Expenses / allowances

- UMW will reimburse reasonable, evidenced expenses paid personally by staff/volunteers: fares (tickets), subsistence (receipts), and mileage at local authority scales.
- No signatory may authorise or sign their own expenses.

## Payment authorisation and signatories

- Each cheque or bank payment will be authorised by at least two authorised persons as per the bank mandate.
- A payment must not be authorised by the person to whom it is payable.

## Other rules

- UMW does not accept liability for any financial commitment unless properly authorised. Any order or undertaking likely to cost more than £\_\_\_\_\_ must be authorised and minuted by trustees.
- In exceptional circumstances, the Chair may approve such commitments, reporting full details to the next trustee meeting.
- All fundraising and grant applications undertaken on behalf of UMW will be in the organisation's name and with prior approval of trustees (or the Chair in urgent cases, to be reported to the next meeting).
- UMW will adhere to good financial practice at all times, including maintaining a fixed asset register (date, cost, serial number, location) and a property register for significant items with usage records.

Approved by the Board of Trustees on: \_\_\_\_\_



Next review due: \_\_\_\_\_ (within 12 months of approval)