



Financial Policies and Procedures

Uzima in our Hands is an Isle of Wight based Christian Charity. We support vulnerable children in rural Western Kenya mainly with scholarships to attend school.

Our Mission Statement:

- To support very vulnerable children in rural Western Kenya
- To provide education, food and basic health care for children who live in extreme poverty and need.

1 Financial Policy

1. Introduction

The purpose of this policy is to ensure that the Trustees of Uzima In Our Hands have the tools and skills to ensure effective financial management takes place. Where other people are involved this policy will set out the individual responsibilities in a clear way to avoid confusion, inconsistency and conflicts.

2. Roles and Responsibilities

The Board of Trustees is responsible for:

- a) Safeguarding the assets of the charity
- b) Preventing fraud
- c) Avoiding mistakes
- d) Keeping financial records in accordance with the governing document and relevant legislation (e.g. Charities Acts, Companies Acts etc).
- e) Preparing Annual Accounts in accordance with the governing document and relevant legislation

To enable the Board of Trustees to carry out these responsibilities, the Financial Procedures detailed below must be followed at all times by all Trustees, staff and volunteers.

The role of Administrator is created to assist the Board of Trustees with the preparation of the monthly and annual accounts.

Volunteer fundraisers will be responsible to ensure that funds raised are safe guarded and promptly deposited on the account of Uzima In Our Hands. All information received need to be guarded as prescribed in the most recent version of the [Uzima IOH Privacy Notice](#).

A copy of this policy and procedures will be given to all the Trustees on their election/appointment to the Board, and to all relevant staff and volunteers.

The policy and procedures will be reviewed annually by the Board of Directors and revised as necessary



Financial Procedures

1. Organisational Information

- a) Our Financial Year runs from the January 1 to December 31.
- b) Our main bank is the Co-operative Bank
- c) Our independent examiner is Josh Fagelman (josh@integrate-accountants.com), re-appointed annually.

2. Bank Accounts

- a) All bank accounts must be in the name of Uzima In Our Hands.
- b) No account may ever be opened in the name of an individual or individuals.
- c) New accounts may only be opened by a decision of the Board of Trustees, which must be minuted.
- d) Changes to the bank mandate may only be made by a decision of the Board of Trustees, which must be minuted.
- e) Two people should be involved in counting cash receipts. A cash form needs to be completed, signed and stored on the central drive (Mega).
- f) All outgoing payments will initiated by Internet Bank Transfer
- g) All Internet Bank Transfers must be authorised by two signatories.
- h) The Treasurer is responsible for ensuring accuracy and completeness prior to transmission.
- i) The signatories are responsible for examining the payment documentation (purchase invoice etc) prior to authorising an Internet Transfer.
- j) ***NB Currently, in the absence of a new business account in Kenya, money is paid into the personal account of the Team Leader (Emmy). This needs to be addressed as a matter of urgency for financial safeguarding purposes.***

3. Signatories to the accounts:

- i. Name: Joy Mowle
Role/Job Title: Chair of the Board of Trustees
- ii. Name: Louise Collins
Role/Job Title: Trustee
- iii. Name: Vivienne Collins
Role/Job Title: Trustee and Secretary
- iv. Name: Jeanette Ralph (*bank to be notified*)
Role/Job Title: Trustee and Treasurer
- v. Name: James Brewer (*bank to be notified*)
Role/Job Title: Administrator / Volunteer

4. Annual Budget

- a) An annual budget, setting out the organisation's financial plan for the year, will be prepared so that the Board of Trustees can approve it before the start of each financial year.
- b) The draft budget will be prepared by the following people:
 - o Chair of the Board of Trustees
 - o Treasurer



- c) The budget submitted by the Team Leader for Five Talents and the Nanderema and Special Needs Project will be used as a starting point for the budget of Uzima In Our Hands.

5. Financial Reports

- a) A financial report will be prepared for every Board of Trustees meeting.
- b) The financial report will consist of:
 - c) Income and expenditure
 - d) Balances
- e) Each Financial Report will be circulated to all the Trustees discussed at the following committee meeting.
- f) The reports will be prepared by the administrator on behalf of the Treasurer, following a check list.
- g) Grants will be sent three times annually to coincide with the three terms in the Kenyan school calendar and will include sufficient funds to cover school holidays.
- h) Before the agreed amount is sent to Kenya for the following term the trustees will review the accounts of both Five Talents and the Nanderema and Special Needs Project, to ensure the issued grants are received and used appropriately.

6. Annual Report

- a) On behalf of the Treasurer and with input from the Trustees, the administrator will draft the annual report.
- b) The financials will be examined by an independent examiner
- c) The annual report will be approved by the Trustees in a board meeting and this must be minuted.
- d) The administrator or a Trustee will file the report with the Charity Commissioners.

7. Accounting and other financial records *(maintained by Administrator)*

- a) The organisation maintains a financial system in the form of an excel spreadsheet in which is recorded:
 - o Cheques and cash received and banked
 - o Electronic Donations received
 - o Cheque payments, Internet Banking Transfers and other amounts paid from the bank accounts
- b) Every transaction will be entered into the system and will include:
 - o The date of the transaction
 - o The name of the person money was received from or paid to and the full amount
 - o A brief description of why the money was received or paid
 - o An analysis of each amount under its relevant budget heading, where applicable
- c) All documents relating to receipts and payments will be filed on the shared drive (Mega)
- d) A regular backup copy will be taken by the Administrator and the Chair of the Board of Trustees

8. Authorisation and Payment

- a) All expenditure, grants paid and purchases must be approved by the Board of Trustees, which must be minuted.



- b) No Board of Trustees or staff member may authorise payment to themselves, their partner or relatives.
- c) Once payment has been made the invoice (or other receipt) should be marked "Paid", together with the cheque number and date.
- d) All payments must be entered in the computerised accounting system only after being authorised.

9. Gift Aid

- a) Gift aid over all applicable donations will be claimed at least once a quarter.
- b) The administrator will claim the gift aid on behalf of Uzima In Our Hands
- c) Only when a supporter has so indicated gift aid may be claimed. This is either per gift (e.g. donations received through TotalGiving, PayPal Giving Fund) or a supporter gift aid form needs to be received.
- d) Gift aid forms are stored as PDF on \Mega Uzima\Donors\Gift aid forms and recoded in Donors-Lckd.xlsx
- e) Gift aid to be claimed will be calculated in the accounting system.

10. Payroll

- a) As all Trustees and other staff members are volunteers, there is no Payroll.

11. Insurance:

- a) reviewed policy and deemed unnecessary currently
- b) NB supporters carrying out fund-raising activities need to be made aware that it is their liability in case of any incident

12. Gifts in Kind (Waived or Unclaimed Expenses/Purchases)

Some Trustees, Members, Staff, Associates and Volunteers occasionally choose to waive, or not to claim, a reimbursement of expenses and/or purchases to which they would otherwise be entitled.

The Charity greatly appreciates the generosity of all who choose to act in this way.

However not claiming reimbursement of legitimate expenses/purchases is not necessarily in the best interests of the charity:-

1. It causes the real costs of the Charity's activities (ie: including those costs which are subsidised by supporters) to be under-recorded and, therefore, under-reported (eg: in the Charity's Annual Report & Financial Statements);
2. It can undermine effective budgeting if a volunteer who has hitherto not claimed their expenses is unable to continue to do so, or is replaced by someone else who is unwilling to do so;
3. It hides the true generosity of the Charity's supporters, particularly their financial generosity which goes unrecorded and, therefore, unreported;
4. It means that the effective gift of their expenses is not eligible for supplementation by Gift Aid;
5. Under-reporting the Charity's costs and the generosity of its supporters can hamper the making of effective appeals and applications for further funds for the Charity.
6. **Accordingly, the Charity encourages all those who can legitimately claim reimbursement of their expenses to do so.**

This includes those supporters who are minded to waive or not claim their reimbursement as a personal gift to the Charity. Rather they should claim the reimbursement to which they are entitled and then back-donate it to the Charity, thereby making it eligible for Gift Aid.



2 Financial Reserve Policy

1. Introduction

In order to ensure that there is always a minimum amount of money available in case of emergencies, the Trustees of Uzima In Our Hands have decided to have the following reserves:

2. General Reserve

Accordingly, a reserve will be held of £ 5,000.

Once a year – when the annual report is approved in the Board of Trustees, the adequacy of the General Reserve will be reviewed at the Board of Trustees and, if necessary, adjusted, which need to be reflected in the minutes of the Board of Trustees meeting.

3 Reimbursement of Expenses & Purchases: Policies & Procedures

Note: this policy may need to change with the growing of the charity. Disadvantage of not paying out expenses is that the true cost of running the charity is obscured and it might make it difficult for some volunteers to enter into doing things for the charity.

Before approving this policy, it make sense to read:

<http://www.from.smallcharitysupport.uk/SCS-policies/Expenses.docx>

1. Introduction

Uzima In Our Hands focus is to ensure that our cost base in the UK is as low as possible. It is therefore the policy that personal expenses (i.e. food, travel expenditure, etc) are not normally reimbursed by Uzima In Our Hands. **In some exceptional circumstances, however, the Trustees may pre-approve and authorise the payment of personal expenses in relation to charitable activity which could not have been undertaken efficiently, without incurring the expense.**

We will never pay a trustee or a volunteer for their time and effort spend on **routine** charitable work.

2. Expenditure

Expenditure on behalf of Uzima will be reimbursed based on an actual invoice and only with pre approval of the Board of trustees. These approvals must always be minuted. Examples of expense Uzima In Our Hands may reimburse is cost for the website, paid by personal credit card, purchase of goods to be taken to Kenya, earnings forfeited because of essential charity business etc.



3. **Timing**

To ensure we keep track Expenditures need to be claimed within a month of occurrence.

4. ***NB Exceptional expenditure agreed by Trustees outside the usual time allowed.***

It has been agreed at the Annual Review of this policy (May 2024) that a post dated one-off payment will be made to the Chair of Trustees for earnings lost during essential visits to Kenya in the years 2022 and 2024.

5. **Claims for personal expenses**

Where there are future essential Trustee visits to Kenya for monitoring purposes Trustees are encouraged to make a claim for personal expenses including lost earnings, within a month of the visit. *UIOH will normally pay airfares for no more than 2 Trustees in a year (including anyone on UIOH Charity business) and normally for not exceeding 4 weeks of loss of earnings per person, which must be pre-approved.*

This Financial Policy, the Financial Procedures, the Reserves Policy and the Reimbursement of Expenses & Purchases: Policies & Procedures as detailed above were reviewed, agreed and minuted at a meeting of the Board of Trustees on:

Name:.....JoyMowle, JeanetteRalph, Viv Collins.....

Signed:.....J MOWLE, J ralph.....V Collins.....

Date: 02.08.2024 (last revision 8th August 24).....