



Kohima Educational Trust (KET) Financial & Reserves Policy

Introduction

1. The KET exists to provide funds to support educational projects in Nagaland as a debt of gratitude to Naga people who supported British troops during the Battle of Kohima. The Board of Trustees of the KET is committed to ensuring that fundraising activities are carried out in a legal and responsible manner.

Policy

2. The KET's guiding financial principle is that it will manage its resources in recognition that such monies have been freely donated, in good faith that they will be used in accordance with KET's Trust aims. In doing so, the KET will adhere to the following standards:
 - a. Finance management will comply with all Charities Commission requirements. <https://www.gov.uk/topic/running-charity/trustee-role-board>
 - b. KET qualifies as a "small non-company charity" for reporting purposes, while it has turnover between £25k & £500k and assets under £3,260k. It will adhere to these guidelines as a minimum. <https://www.gov.uk/guidance/prepare-a-charity-trustees-annual-report#reports-for-small-non-company-charities>
 - c. The Treasurer and one other will be signatories and have access to online banking, each able to process payments up to £2,500 individually. Above that, both will need to authorize. Expenditure will require prior authorization according to criteria set out in "Procedures" below.
 - d. Collection and counting of cash will always be done with the involvement of two individuals.
 - e. Charitable transfers to India will be followed up to ensure they are used according to KET's stated aims, as far as possible.

Banking Transparency

3. The Treasurer will either
 - a. retain hard copy bank statements and be prepared to make available to fellow Trustees at any time, or
 - b. download statements of all banking transactions into a file that comprises part of the regular Management Accounts disseminated around the Board.

In this way, all Trustees will be able, at all times, to examine all banking transactions.

Reserves Policy

4. The Treasurer is required to submit an "Income & Expenditure" account annually to the Charities' Commission. In addition, certain Balance Sheet data relating to assets and liabilities needs to be disclosed in note form.
5. While we are of a size to require an Income & Expenditure Account only, plus notes on assets/liabilities, it is not necessary to maintain a formal Balance Sheet with Reserves allocated to different categories; such segregation can be mentioned in the notes.
6. The Board will ensure that the total of all Reserves is sufficient at all times to permit an orderly winding up of the Charity. On winding up, disposal of the Trust's remaining assets will be prioritized as follows:
Firstly, to meet legal obligations to any employees, including redundancy payment, and to creditors;
Secondly, to meet remaining responsibilities to existing scholarship holders;
Any remaining assets will be donated for charitable purposes which in the opinion of the Trustees fulfil, or come close to fulfilling, the objectives of the Trust.

Responsibilities

The Board is responsible for the implementation and review of this policy. All Board members, casual, permanent and contract staff and volunteers are responsible for adhering to this policy.

Procedures


All payments above £500 must have the prior approval of the Chief Executive, as recorded in e-mail or other storable communication.

All payments above £5,000 must have the prior approval of the Finance and Operations sub-Committee.

A statement estimating income and expenses will be prepared prior to the commencement of any new investment that may present a financial risk to the KET. Fundraising activities should not be undertaken if they expose the organization to significant financial risk.

Reviewing Policy

The KET is committed to reviewing our policy and good practice annually:

This policy was last reviewed on:	1 November 2020
Signed:	
Chairman or CEO:	CEO