

## **Manchester Malayalee Association Financial Transaction Policy**

### **1. Rationale for the Policy**

The Financial Transaction Policy of the Manchester Malayalee Association (MMA) protects and benefits the Association in the following ways:

- Minimises the risk of penalties and fines due to unsubstantiated business or other expenses.
- Ensures compliance with legal and regulatory requirements.
- Establishes adequate and consistent documentation standards for all financial transactions.
- Provides an independent and efficient source for obtaining transactional information.
- Minimises reputation risks and adverse public perception.

### **2. Who Should Know This Policy**

Office Bearers, Executive Council Members, Auditors and MMA Members

### **3. Policy Details**

All the financial transactions of the Association must comply with the justification and documentation standards established by this policy.

#### **3.1 Bank Account**

Authorised signatories for the MMA's bank account are jointly the Treasurer & the President or the Secretary. The Treasurer's responsibility is to receive the monthly bank statement and to be reconciled every month also to keep the safe custody of checks and credit slips.

#### **3.2 Cheque/ Cash Advance.**

Cash advance given by the Treasurer to any approved member/s must be paid out through I.O.U voucher.

#### **3.3 Cheque / Cash Payments.**

Treasurer must ensure that all the expenditure is approved by the Executive council before making any payments. Cheque or Cash Payments should be made only against the receipt of original, unmodified bills by preparing Cheque / Cash payment Voucher. Only when these are lost or unavailable can the Treasurer ask the Executive Committee for a petty cash voucher as a replacement. The President or the Secretary should approve all payment voucher/s.

#### **3.4 Travel Expense**

If any of the executive members use their own vehicle for the benefit of the association, they are entitled to reclaim the mileage cost incurred by filling up the mileage reclamation form. The amount payable will be 35 pence per mile for the first 100 miles they have travelled and 5 pence per mile thereafter on that particular journey. The journey must be authorised before hand by the Secretary and the Treasurer.

#### **3.5 Income**

All receipts (Cheque or Cash) should be physically handled solely by the Treasurer unless otherwise mutually agreed by the Treasurer and the Executive Council. The Treasurer should issue receipt for any income received on behalf of MMA.

### **3.6 Audit and Final Accounts**

The Treasurer is responsible for all MMA monies and physically handles all income and disbursements. Treasurer should maintain a separate account for the assets of MMA and to be listed with the custodian's name. In case of any cheque/s been dishonoured the Treasurer has the full right to collect the value of the bounced cheque including the bank charges. If the drawer is not willing to pay the due amount, this should be reported to the executive council / General body immediately.

Internal and External audit – All the financial transactions to be audited quarterly by an internal auditor from the Executive Council/General Body. External auditor should be appointed through the General body meeting and the audited final accounts should be presented by the Treasurer at the Annual General Body Meeting.

### **3.7 Disclosure**

Disclosure of the financial assets should be in accordance with the disclosure clause in the constitution.