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Introduction

We remind Friends to notify their LM Treasurer of any expenses incurred on behalf of their Local Meeting. This helps to ensure our annual accounts provide an accurate picture of our running costs.

Friends choosing not to request reimbursement can donate the value instead. Form RD-2-4-1 may be helpful to claim the expense, and donate it.

Authorisation of normal payments

1. All expenditure in excess of £500 needs to be considered by Area Meeting Trustees.
2. Payments from Local Meeting (LM) funds should be authorised by LM Treasurer, LM Clerk of Premises, or LM minute.

LM Treasurers have authority to authorise reimbursement of 'normal payments', such as books for the library, supplies for the children's meeting, etc. Clerks of Premises have authority to authorise property costs, such as servicing and utility invoices, etc, without the need for a specific minute from their business meeting. LM Minutes should authorise other payments (donations to other charities, etc).

3. Distribution of annual giving to Britain Yearly Meeting (BYM) should accord with the instructions of the donors and needs no further authorisation.
4. Payment from Area Meeting (AM) funds should be authorised by AM Treasurer, Trustee minute or AM minute.

Evidencing authorisation

In order to process payments, the LM Treasurer or Clerk of Premises should send the AM bookkeeper the supporting documents (for example, expense claim or invoice), along with their authorisation to pay. For substantial, or unusual, items, a minute is the normal method of authorisation. Electronic or paper authorisation is acceptable.

As well as the double-authorisation controls on electronic banking activities, payments out of greater than £10,000 will be set up on the bank by the bookkeeper, then be authorised by the AM Treasurer and another trustee, so that three people are involved. The payment will then be recorded in a *register* maintained by the AM Bookkeeper.

A record of the authorisation should be kept for the recommended retention period for financial records, given in *Record retention* (RD 6-1).

Payment of collections for other charities ('acting as agent')

Either:

1. Sums collected for other charities should be banked by the LM Treasurer then paid out by the AM Bookkeeper to the charity concerned, and their acknowledgement forwarded to the LM Treasurer.

Or:

2. Sums collected for other charities may be banked and paid out by an individual Friend through their personal bank account following authorisation by LM. A copy of the acknowledgement from the charity must be subsequently handed to the LM Treasurer.

Or:

3. Ask for a collection box from the charity and return it at the end of the collection period. This enables the charity to reclaim Gift Aid on the donations from the Government (HMRC).

Questions to answer

These questions become more important as the sums involved get larger.

1. Is the spending proportionate to the value of the building?

This value may not be purely monetary; see also question 7 below.

2. Is the spending proportionate to the size & vibrancy of the Local Meeting?

3. Is this maintenance or improvement?

Perhaps expensive maintenance can be turned into improvement.

4. Is there a business case for the expenditure?

Particularly with large sums, check for evidence of careful thinking about the positive impact of this expenditure on the aims of Friends.

5. Are there other ways to fund this expenditure?

For example, grants or loans from Quaker or non-Quaker bodies, etc.

6. Will the management burden on the Meeting be sustainable?

This could be on the Local Meeting or Area Meeting, or both.

7. How fair is this expenditure, within the Area Meeting as a whole?

Consider how Friends in other Local Meetings may view this expenditure. Would it be a good idea to make careful presentation of the plans to all Local Meetings before going ahead?

8. What is the impact of this expenditure on the finances of the Area Meeting as a whole?
Can we afford it? For example, does it leave sufficient reserves?

Change history

Date	Change	Author
01/06/16	First issued	
12/09/23	Adding register for large payments; adding extra option for 'Acting as agent'; changing references to 'F&P', or 'Finance and Property Committee' to 'Trustees'; adding this box.	Chris Pollock
18/08/23	Changed remaining reference to 'Finance and Property Committee' to Trustees.	Chris Pollock
18/10/23	Clarified payment limits and authorisation for large sums	Chris Pollock
17/02/25	Added pre-amble about need for accounting records; expanded guidance for authorisation of LM expenditure	Debbie Nightingale; Sally Harris
23/03/25	Corrected typos; added contents at beginning	Chris Pollock