Guidelines for Branch Treasurers

Branches are an important part of the Institute and help to meet the Institute’s objectives of promoting mathematics and its applications. Branch activities are run by members with funding derived from Institute membership subscriptions.

The Institute is a registered charity and as such it is governed by national charities legislation, which has implications for Branch accounting. The Charities Commission has developed a Statement of Recommended Practice (SORP), which govern accounting practices and the reporting of financial information.

The Institute’s Finance and Committee agrees an overall budget for Branches each year. The distribution of this budget over individual Branches depends on the nature and number if activities organised each year and, to some extent, on geographical location.

Accounts
Each branch must hold its own bank account, but can also claim expenses from the Institute. Bank accounts must be small business accounts which will incur transaction charges – they cannot be personal accounts. Branches that pass expenses claims to the Institute office should notify the secretariat Finance Officer of their intention to do so in advance.

Financial information from each branch is required to be submitted each year. The request is made in December with information required by the third week in January, when the annual audit of accounts takes place.

The Branch Treasurer must supply the following information from their accounts:

- A statement of income and expenditure for the year to 31st December.
- A copy of the Branch bank account statement which shows the balance at 31st December.
- Receipts where available, as it may be possible to use them to reclaim VAT.

In addition, an estimate of expenses for the year ahead, with probable dates of expense claims is also requested.

Income
Branches can receive funds of up to £500 per year. Requests for funds must be made in writing and must contain an explanation of how the money will be spent. On receipt of a request, records of previous payments will be checked before payment, but the aim is to settle reasonable requests without delay.

The main cost to a Branch will be for refreshments and speakers’ expenses – usually, branches do not hire venues or charge admissions, so the expenditure should be relatively small.

If a budget for a whole year is submitted, but only part payment is requested immediately, a further written request must be made before the remainder of the budget is forwarded.

Expenses
The cost of Branch activities should be considered when planning meetings. For example, it is desirable to have a balance between local and non-local speakers. Speakers’ travelling...
expenses can be paid, but it is Institute policy not to pay fees to speakers unless they are delivering tutorial courses.

New charities legislation took effect from the 1997 Annual Accounts. The effect of this is that any financial transactions passed through a Branch account must relate to the Institute’s charitable objectives; i.e. promoting mathematics and its applications. Therefore, transactions relating to purely social events cannot go through Branch accounts. For example, if a Branch holds a purely social event, such as a dinner, and sells tickets for it, the money must be handled separately. The profitability or otherwise of events is irrelevant – it is the purposes for which money is received or spent that counts. Entertaining speakers after lectures can be treated as part of the cost of holding the lecture rather than a social event. Similarly, if an after dinner speaker is invited to a branch dinner, providing the speaker’s topic is related to the Institute’s charitable objectives, the cost of the speaker’s meal can be met from the branch account.

Further information
Further information about Branches in general, or about financial matters, can be provided on request.
Please direct any queries to Helen Cook (Helen.cook@ima.org.uk).