

Croydon Astronomical Society

Financial Policies

1. Internal Financial Control and Investment Policy

Donation Income

The income for the society comes from:

- Donations made through the CAF Donate system – often Gift Aided. CAF carries out certain anti money-laundering and eligibility checks on these funds
- Small cash and contactless donations made at Thursday meetings – typically £3-£5 per person
- Small cash donations made in the observatory boxes
- Donations for Group visits from schools / scout association etc
- Donations for external talks

Committee would discuss whether to accept a donation if there were concerns about its provenance or if there were onerous restrictions in the application of the funds.

Expenses

Expenses are authorised at committee meetings (or exceptionally by circulating an email to committee members if urgent).

Committee may approve a budget amount to be incurred by an individual in respect of the purchase of a specific item or as part of a project. The amount incurred up to the budgeted amount will be reimbursed from society funds and the actual costs reported at the subsequent Committee meeting.

Monthly observatory electricity consumption is reported at each Committee meeting. Users of the observatory are made aware of the unit cost of electricity through the regular 'members and friends' e-mail.

Investments

The society does not make financial investments.

The bank balance over and above day-to-day requirements is held on an instant access interest bearing account held with the society's bankers.

Receipts and Payment Basis Accounts

The accounts are prepared on a 'Receipts and Payments' basis with adjustment for accruals or prepayments only if deemed significant to the understanding of the society's financial position (amounts in excess of £300).

Accounts Examiner

The society's Accounts Examiner is appointed by society members at the AGM. The Accounts Examiner performs certain agreed upon procedures including checking expenses against invoices and that the accounts tie back to the movements on the bank statements.

Segregation of Duties

Committee recognises that the NatWest Online Banking system allows any one person on the bank mandate (currently the Chair, Secretary and the Treasurer) to make electronic payments from the society's accounts.

Committee has approved a move to NatWest's Banking for Communities (BfC) system which introduces dual authorisation of electronic payments.

Committee is aware that cash takings from Thursday meetings at Trinity School are usually counted and recorded in the society's books by one person - typically the Treasurer. This is an accepted risk as the amounts are small and there is insufficient time to perform a count at the end of the meeting.

The society can take contactless donations through a Sum-Up terminal which means that they transfer directly to the society's bank account.

It would be theoretically possible for someone to log into their own personal Sum-Up account on the society's terminal, but the payee would show up on the donor's bank statement (and many now receive a text providing details of the payment when their debit card is used).

Cash takings from the observatory cash boxes are small and are usually counted by two people (typically the Chair and the Secretary) before being banked, with the amount reported to the Treasurer.

2. Reserves Policy

Committee is required to retain only those cash reserves that are appropriate to the society's needs and ambitions. However, in reviewing the amount of the reserves to be retained, Committee's aim is to ensure the society will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in donation income or if unexpected expenditure arises.

A significant item of expense (and Committee time) is the ongoing maintenance of the self-built Norman Fisher Observatory. The observatory is located within a small fenced-in site within the RAF Kenley historic aerodrome with access provided by the London Loop long distance footpath which runs directly through the society's land. The observatory consists of a brick-built building with a fibreglass dome which was constructed in 1979 to house the society's then self-built 18-inch telescope, and a substantial self-built felt-roofed wooden clubhouse which was constructed and then extended in the 1990s. Additionally, there is a small commercially made fibreglass dome which is believed to be of a similar date to the clubhouse.

The site is in an elevated and exposed position. The buildings are likely to require substantial future maintenance.

Although the observatory and clubhouse were originally self-built, ongoing building maintenance will need to be done professionally. The substantial costs of professional maintenance, the limited number of members who now use the facilities, and the shortage of volunteers to run outreach events at the Observatory need to be balanced against the society's other priorities, its limited income and Committee time. At some stage Committee may conclude that it is appropriate to reduce the size of the Observatory facilities, and funds will be required to make this adjustment.

3. Trustee Expenses and Conflicts of Interest Policy

Expenses

Trustees are reimbursed for expenditure incurred by them on behalf of the society on receipt of an invoice or other supporting evidence of expenditure.

The most likely situation is where Committee has approved a budget for a particular item or project. Any such expenditure should be reported at the following Committee meeting.

Any other payments to trustees require prior Committee approval.

Conflicts of Interest

The society's policy on conflicts of interest is set out in the Constitution.

11th April 2023