

How to avoid a muddle

There are certain problems which crop up time and time again in the way that groups look after their money. Some are fairly minor, but could still mean that you get in a financial muddle. Others are far more serious and could end up preventing your group from doing the work it was set up to do. Try to avoid all of these!

Don't leave the treasurer to get on with it alone, only showing an interest when something goes wrong; this is worrying for the treasurer and also means that your group will not make the best use of its money

Don't keep members of the group in the dark about the financial position

Don't use a debit card to routinely withdraw cash from an ATM; this is a recipe for losing track of how much is going out of the account and it may leave you open to suspicion of theft or fraud

Don't draw cash direct from a deposit account to spend straightaway; it may get forgotten if it isn't transferred to the current account and withdrawn by cheque.

Do keep detailed financial records

Do spend money only on things that have been agreed by the committee

Do fill in the cheque stub when you write a cheque, with the amount, payee and the date

Do make sure you record both the cash received and the cash spent, when you buy things with cash which you've taken in, e.g. for a coffee morning

Do make sure that anyone who receives or spends money knows how to keep track of it properly; this applies to everyone in your group, and not only the committee

Do keep cash received separate from the petty cash float

Do make sure that if you have more than one bank account, records are kept for both and reports are made on both

Do make sure you can give funders a detailed account of how you spent their grant

