From: compliance@libdems.org.uk
Date: Sat, 3 Feb 2024
Subject: Compliance Training Day 3 - An Effective Handover

Dear Colleague, the third day of the February Compliance Challenge begins by looking at the transition between Treasurers.

Treasurers: an Effective Handover

Becoming a new Treasurer can be daunting. An effective handover is important for a smooth transition between officers. This can vary from one Local Party / Group to another - here's our guide to what an effective one looks like.

When to handover

A Treasurer's term of office ends at the stroke of midnight on New Years Eve (31st December), so come the New Year, comes the new Treasurer. If there are several weeks before you take the reins, it's worth **shadowing** the outgoing Treasurer to see what they do.

Some steps take longer than others and it's important to start the handover as soon as possible so you don't lose access to your bank accounts in the run up to elections.

Before the outgoing Treasurer's term of office ends:

- Update the **bank signatories** - this takes a while for banks to process and for signatories to do their bit, so we advise beginning the process in November / December, for completion by January.

- In January / February, the old Treasurer should prepare the **Annual Accounts**, since they possess knowledge of the previous year and its records. The new Treasurer is responsible for submitting the Accounts, ensuring they're approved by the Executive Committee and examined by an independent inspector.

- After the Annual Accounts have been prepared, the departing Treasurer should complete the handover of all **records** including relevant emails and training guides from HQ and the Compliance Team.

- Make sure the incoming Treasurer is aware of **training** opportunities such as the Compliance Clinics etc.

What to handover

- **Bookkeeping** records - the Treasurer must maintain and hand onto their successor, six years of records (we recommend seven years just to be safe) including:

    - Bank statements (even if online, it's best to print them out as banks don't always display older bank statements)

    - Cheque books & paying-in books

    - Reports to the Executive Committee

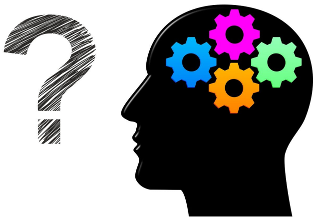
    - Year-End Accounts

- Bookkeeping (spreadsheet, ledger books, online bookkeeping access)
- Bills / invoices
- Donor records (proof of permissible donor checks; list of people making standing orders; if the Local Party received Councillor Tithes then forward on a log of contributions and amounts owed)
- Fundraising records
- Any paperwork relating to property, equipment etc. These should not be destroyed until at least six years after they were sold or disposed of.
- Any records of loans / loan agreements / repayments etc. These should be kept until at least six years after the final repayment has been made.
- Any Trust documents / other trustee related papers (never throw these away, no matter how old they are)

- **Knowledge** of the job
  - How to use Lighthouse to record donations, do monthly returns etc.
  - How to use the bookkeeping systems / software
  - How / when to check if a donor is a **permissible donor**
  - How to do a budget for the Executive

- Advice given on affordability of projects, fundraising, reserves for elections etc.

- **Software** access
  - Treasurers require access to the following user facilities on **Lighthouse** (with edit and create permissions): *Banking; Contacts; Donations; Reports; + access to Membership Rebates and Organisation.*
  - **Connect** - sufficiently high permissions to use quick search for checking donors both in the local area and further afield.
  - **Online bookkeeping** (if you use it): Xero - send an email to compliance@libdems.org.uk to be set-up. The other two approved systems, *Sage* and *Quickbooks*, need to be managed locally.
  - **Online donations** - if received via Prater Raines or Nationbuilder, make sure the Treasurer has permission to view the donation sections (Paypal, GoCardless, Stripe etc.) and can download reports.
  - Note: changing details on PayPal etc. is difficult - please contact the Compliance Team for a copy of our Paypal guide.



Further help

- Online Training Day - 10 Feb
- Compliance Clinic - every third Monday, 6-7pm
- Annual Accounts Clinics - starts 7 Feb
- One-to-One appointments
- Slack Channel

In an ideal world, the outgoing Treasurer will still be around to help answer questions, but don’t worry if they are not, the Compliance Team is here to help.

Any questions, don’t hesitate to contact us at: compliance@libdems.org.uk

Best wishes,

Lloyd Harris
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Liberal Democrats