



Kohima Educational Trust (KET) Financial, Expenses, Authorizations & Reserves Policy

Introduction

1. The KET exists to support the advancement of education amongst the Naga people as a debt of gratitude to them for their support of British, Indian and Commonwealth troops during the Battle of Kohima. The Board of Trustees of the KET is committed to ensuring that financial activities are carried out in a legal and responsible manner.

Policy

2. The KET's guiding financial principle is that it will manage its resources in recognition that such monies have been freely donated, in good faith that they will be used in accordance with KET's Trust aims. In doing so, the KET will adhere to the following standards:
 - a. Finance management will comply with all Charities Commission requirements. <https://www.gov.uk/topic/running-charity/trustee-role-board>
 - b. KET qualifies as a "company charity" for reporting purposes, as it is a Charitable Incorporated Organization ('CIO'). [Prepare a charity trustees' annual report - GOV.UK](#)
 - c. As a 'smaller entity', it can use Financial Reporting Standard for Smaller Entities, Statement of Recommended Practice. ('FRSSE SORP'), as developed by the Charity Commission. [Home - SORP](#)
 - d. The Treasurer will draft a budget annually, for approval by the Finance Committee and subsequently by the Board. In so doing, the Board thus authorizes the expenditure therein.
 - e. Collection and counting of cash will always be done with the involvement of two individuals, one of whom is a trustee.
 - f. Charitable transfers to Nagaland and/or to Nagas will be followed up, as far as possible, to ensure they are used according to KET's stated aims.

Banking Transparency

3. The Treasurer will either
 - a. retain hard copy bank statements and be prepared to make available to fellow Trustees at any time, or

- b. download statements of all banking transactions into a file that comprises part of the regular Management Accounts disseminated around the Board.

In this way, all Trustees will be able, at all times, to examine all banking transactions.

Reserves Policy

4. The Treasurer is required to submit an "Income & Expenditure" account annually to the Charities' Commission. In addition, certain Balance Sheet data relating to assets and liabilities needs to be disclosed in note form.
5. While we are of a size to require an Income & Expenditure Account only, plus notes on assets/liabilities, it is not necessary to maintain a formal Balance Sheet with Reserves allocated to different categories; such segregation can increasingly be mentioned in the notes, e.g. so as to note what future liabilities exist for funding scholarships or bursaries or other projects.
6. The Board will ensure that the total of all Reserves is sufficient at all times to permit an orderly winding up of the Charity. On winding up, disposal of the Trust's remaining assets will be prioritized as follows:
 - First, to meet legal obligations to any employees, including redundancy payment, and to creditors;
 - Second, to meet remaining responsibilities to existing bursary holders and/or Teaching Units (ECS);
 - Any remaining assets will be donated for charitable purposes which in the opinion of the Trustees fulfil, or come close to fulfilling, the objectives of the Trust.

Trustee Expenses

7. Trustees claiming expenses for costs they have incurred in the course of undertaking their Trustee duties will be submitted to the Treasurer for reimbursement guided by the principles set out here:

A guiding principle is that, if the Trustee is financially out of pocket as a direct consequence of spending time and/or effort on Trustee duties, then those sums may validly be reimbursed after submitting details to the Treasurer, who will assess for reasonable validity with reference to the Charity Commission guidelines. See guidance here:

<https://www.gov.uk/guidance/trustee-expenses-what-charities-can-pay>

If trustees choose, voluntarily, to donate all or any of such reimbursement back to KET and have signed a Gift Aid declaration, the Treasurer may claim the 'Gift Aid' tax refund element of such donations if made as cash payments.

Responsibilities

The Board of Trustees is responsible for the implementation and review of this policy.

All Board members, casual, permanent and contract staff and volunteers are responsible for adhering to this policy.

Authorization Procedures

There will be an annual budget approved by the Board of Trustees. The Managing Trustee, with the oversight of the Treasurer, may spend according to budget cost categories.

All unbudgeted payments over £500 and below £5,000 must have prior approval of the Finance sub-Committee.

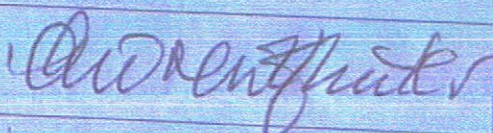
All unbudgeted payments above £5,000 must have prior approval of the Board of Trustees.

All payments for Charitable purposes to KET's beneficiaries must have the authorization of the Board of Trustees.

A statement estimating income and expenses will be prepared prior to the commencement of any new investment that may present a financial risk to the KET. Fundraising activities should not be undertaken if they expose the organization to significant financial risk.

Reviewing Policy

The KET is committed to the Finance Committee reviewing our policy and good practice annually:

This policy was last reviewed on:	8/12/25 & 13/4/26
Signed:	
Chairman or Managing Trustee:	Sylvia May 27/4/26