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**Financial
Literacy
for
Community
Champions**



Financial Management Strategies for Community Groups



Before we get started let's define key terms

Glossary of financial management terms for
community-based organization

*****GO TO GLOSSARY*****



Key Points



Main features of a financial management system, and how to design one



Approaches to financial planning, budgeting and management for community groups



Aligning financial practices with donor requirements and managing with transparency and accountability

This discussion explores the advantages of utilising a structured approach to managing the financial affairs of your group, and the added value of operating in a manner which reflects dependability, authenticity, respect, and transparency.

Interactive component: attendees assess their current operations and identify next steps to design a financial system for their organization

What is a Financial Management System?

Simply put, a financial management system is how your group manages, tracks, and plans its money. Having a well-structured system helps your group to:

1. Keep track of where money comes from (earnings/income)
2. Understand clearly how money is spent (expenses)
3. Plan wisely for the future
4. Maintain transparency and trust among its members, supporters and other stakeholders
5. Facilitate the preparation of financial reports in timely manner
6. Earn the confidence of external organisations such as donors and partners.

Why is a Financial Management System Necessary?

1. **Accountability:** Ensures everyone knows money is handled honestly and responsibly.
2. **Transparency:** Members and supporters can clearly see how money is used.
3. **Make Informed Decisions:** Knowing your financial position helps your group to make smarter choices about money.
4. **Attract Funding:** Donors and partners trust groups with good financial practices.

Main Features of a Financial Management System

1. Clear roles and responsibilities	2. Internal Financial Controls and Policies	3. Budgeting and Planning
4. Financial Records Keeping and Reports	5. Audits and Reviews	6. Formal Banking Arrangements
7. Asset Management		

Main Features of a Financial Management System

1.

Clear roles and
responsibilities

Decide who is responsible for managing the finances of the group.
Define and document the main tasks for the role, ensuring that the assignee understands the expectations of the position
Define reporting relationships.

Example:

- **Treasurer:** Usually responsible for overall management of the group's finances.
- **Assistant Treasurer/Bookkeeper:** Helps to record transactions and supports the Treasurer in managing the group's financial affairs.
- **Signatories:** Authorised persons who approve and sign documents such as letters of instruction, cheques, vouchers or withdrawals

Main Features of a Financial Management System

2.

Internal Financial Controls and Policies

These are the rules and processes to ensure money is handled responsibly and protected.

Benefits of having internal financial controls and policies for your group

1. **Reduces the risk of theft, fraud, or misuse of funds.**
2. **Builds trust and confidence:** Members, donors, and partners feel secure knowing money is handled properly.
3. **Improves transparency:** Everyone knows how financial decisions are made, increasing accountability.
4. **Supports better decision-making:** Clear rules help the group consistently make fair and smart financial choices.
5. **Reduces confusion and disputes:** Clearly written policies mean everyone knows the rules and promotes standardisation, which prevents misunderstandings or conflicts over money
6. **Helps to attract funding and partnerships:** Donors and sponsors prefer groups with strong financial management, making your group more attractive for support.

Examples of Internal Financial Controls and Policies

1. **Approval Procedures:** Dual written approval before payment is made. Specify who the persons are, their signing limits, state their titles and document their contact information.
2. **Signatories on Bank Accounts:** Require two signatures for every withdrawal or cheque issued. Consider assigning more than two persons in case someone moves on or is inaccessible.
3. **Cash Management:** Set clear limits on how much cash can be handled and by whom, to avoid loss or misuse. Be clear about whose approval is required for the various
4. **Receipts and Documentation:** Every expense and income should have receipts and invoices kept safely as proof of spending.
5. **Regular Checks and Reviews:** Monthly reconciliation of bank statements to verify records match the actual bank transactions.
6. **Conflict of Interest Policy:** Guidelines to ensure members avoid situations where personal interests conflict with the group's finances.

Examples of Internal Financial Controls and Policies

7. **Approval of Payment:** Maintain a standard **payment approval form** signed by at least two authorised persons.
8. **Monitor Petty Cash:** Keep a **petty cash log** if you use small cash amounts for expenses.
9. **Independent Review:** Conduct **internal and/or external audit**

You can design your own forms or customise templates you can find online.

Insist that the form be used EVERY TIME and always signed by the authorized signatories.

Petty cash log example

JN Foundation's Petty Cash Log as at							
			Balance	\$10,000.00			
Date	Receipt No.	Description	Amount Deposited	Amount Withdrawn	Charged To	Received By	Approved By
		Petty Cash	\$10,000.00				
		Totals	\$10,000.00	\$0.00			
		Reimbursement Amount		\$0.00			

Examples of Internal Financial Controls and Policies

10. Funding may require different types of controls. It is important to understand the conditions attached to our income and manage them accordingly.

Restricted vs. Unrestricted Funds

Definitions:

- Restricted funds must be used only for specific pre-approved activities.
- Unrestricted funds can be used for general operational costs or urgent needs.

Good Practices:

- Track restricted funds using different sheets or columns. (if you have a formal system, sub accounts)
- Colour code or flag restricted funding to differentiate it from other funding.
- You may not be able to use restricted funds for salaries or rent unless approved as part of the project.

Example: A grant for school supplies can't be used for staff travel unless the donor has approved it in writing.

Main Features of a Financial Management System

3.

Budgeting and Planning

Budgeting and Planning

A budget is a financial roadmap of your activities, goals, and timelines. This should include everyday expenses for running the group, administration, rent and so on.

Here's how to create and maintain a simple budget

1. List all planned activities, operational costs, and administrative costs (e.g., "Youth Skills Training Workshop").
2. Estimate costs for all expenses related to each activity (e.g., venue, transport, refreshments, trainer fee, workshop material).
3. Consider including a mark up to cover unexpected changes in costs and inflation for budget line items.
4. Monthly compare actual expenses to the budgeted costs to remain on target.
5. Update your budget when there are new activities or funding changes.

Budget Template

Name of Organization: ABC Community Group											
Project Name: Top Tiers Basic School Repairs											
Total Project Amount in Foreign Currency: \$20,000											
Total Project Amount in Local Currency: \$3,100,000						<table border="1"> <tr> <td>FX Type:</td> <td>USD</td> </tr> <tr> <td>FX Rate:</td> <td>\$155</td> </tr> </table>		FX Type:	USD	FX Rate:	\$155
FX Type:	USD										
FX Rate:	\$155										
Project Budget											
Activity	Budget Line #	Category	Description	Quantity	Cost per Unit	Total Cost (Local)	Total Cost (F Currency)				
1	0.1	Administrative	Utilities (Electric Bill)	12	\$ 2,000.00	\$ 24,000.00	\$ 154.84				

Main Features of a Financial Management System

4.

Audits, Reviews and Regular Reporting

What are Audits, Reviews, and Regular Reporting?

- **Audits:** This is an independent check of your group's financial records and practices, usually annually, done by someone who is not a part of the daily operations team or external to your organisation.
- **Reviews:** Regular internal checks done by group members (monthly or quarterly) to ensure accuracy and proper financial management. This could be by a special committee appointed to review operations periodically.
- **Regular Reporting:** Periodic financial reports shared openly with members, detailing how money was received and spent. The reporting distribution and contents are often determined by the structure of your group, the requirements of partners, or membership.

It is important to decide on reporting frequency: Monthly or quarterly reports are ideal for community groups.

Main Features of a Financial Management System

5. Financial Records Keeping

*****The faintest ink is more powerful than the strongest memory.*****

Keeping accurate records of all financial transactions helps your group to track money coming in (income) and going out (expenses). It supports informed decision-making and builds trust with donors, partners, and stakeholders through consistent and accountable reporting.

- Keep receipts, invoices, and bank statements safely stored
- **Real-time** record keeping ensures timely and accurate tracking of financial transactions, reducing errors and improving transparency.
- File your receipts using an easy-to-remember system (eg, by date, supplier)

Remember to copy receipts as they often fade with time.

Keep paper records dry, and under lock and key. The records should only be accessible to approved team members. Back-up digital records.

Financial Records Keeping

Good Practices:

- Keep **physical copies** in labeled folders by month or category (e.g., “Transportation – April”).
- Use a **digital backup system** (Google Drive, Dropbox, or external hard drive).
- Number and file all **receipts, payment vouchers, and invoices** in chronological order. Receipts should have date, amount and description of product or service,
- Use an **Excel, cashbook or ledger** to log all incoming and outgoing funds promptly. These books are often easily purchased at Bookstores or pharmacies.
- Assign a specific person or team to check weekly for missing records.
- Lodge cash intact (all cash received) and cheques promptly.

Digital tools you can use to help record keeping

- Excel or Google Sheets for logs. Add a password and lock files to improve confidentiality and manage access
- Mobile apps to digitize receipts. A smartphone can be used to copy receipts. Simply create a shared album online and upload the photos.
- Cloud storage (Google Drive with restricted access)

Financial Records Keeping

Real-time Record Keeping



Physical records of expenses and income (e.g., invoices, receipts)

- Managing books & accounting records
- Transparency, consistency and accountability

Main Features of a Financial Management System

6.

Formal Banking Arrangements

A dedicated bank account **in the name of your group** with at least two signatories is good practice.

If necessary, additional bank accounts may be useful in managing funds, particularly if some funds should be segregated for specific purposes.

Benefits of having a bank account for the group:

1. Creates an independent track record of your income and expenditure, which can be used to support grant applications
2. Enhances the groups' financial credibility
3. Facilitate digital transactions
4. Safekeeping of group funds
5. Access to financial products and services

More on banking after lunch!

Main Features of a Financial Management System

7. Asset Management

Asset management is the process of keeping track of the valuables owned by the organisation, making sure they are properly cared for, used for intended purposes, and accurately recorded. These valuables may be **tangible** (physical) such as furniture; or **intangible** (non-physical) such as logo, website, or, an audio/video recording.

Effective asset management helps to protect the organisation's resources; improves accountability and is very helpful to reporting and auditing activities.

Benefits of Asset Management:

1. **Supports planning and money management** by helping the organisation to forecast for replacement, repairs and other future needs.
2. **Enhances Credibility:** Proper asset management shows funders and partners that the organisation is responsible and trustworthy, increasing chances of securing grants and donations.
3. **Simplifies Audits and Reviews:** Having up-to-date records to support asset management makes audits quicker and easier, demonstrating transparency and good management practices.

Asset Management

Types of Assets Community Groups May Need to Manage

Intangible

1. **Cash and Bank Balances:** Money kept in cash boxes, petty cash, or bank accounts.
2. **Intellectual Property:** Logos, training materials, artwork/designs, or digital assets like websites.
3. **Recordings:** audio or video material

Tangible

1. **Office Equipment:** Computers, printers, phones, and other technology devices.
2. **Furniture and Fixtures:** Desks, chairs, cabinets, and other office furnishings.
3. **Buildings and Property:** Meeting halls, offices, land, or storage spaces owned or leased.
4. **Vehicles:** Cars, motorcycles, or bicycles owned by the group for project or administrative work.
5. **Programme Equipment:** Items such as sports gear or musical instruments used in group activities.
6. **Supplies and Inventory:** Stocked materials like stationery, or goods for resale or distribution.
7. **Donated Items:** Gifts or contributions in the form of goods that the group uses as a part of its operations or programs.

Asset Management

Documents

Asset Register: A detailed list of all assets.

- For tangible assets: list description, serial number, purchase date, cost, condition, and location where the asset is kept.
- For intangible assets: list description, creation date, ownership rights, usage agreements, associated copyrights.

Maintenance Records: documents the date of repairs, servicing, or upgrades made to tangible assets. Include a description of the maintenance activity and list the dates for future maintenance.

Disposal Records: Shows when assets are sold, donated, scrapped, or otherwise removed from the group's ownership. Disposal could mean the item has served its useful life and in that case it is usually retired/destroyed.

More to think about...

8. Risk Management

Risk Management is action taken to identify and address the likelihood of something undesirable happening that may negatively impact your finances.

Risks to watch out for:

- Theft or fraud
- Signatories not being available
- Poor documentation
- Spending beyond the budget
- Rules and policies not being followed
- Grant terms not being followed

Mitigation Strategies:

- Conduct **internal reviews** or mini-audits monthly
- Use **password-protected systems** for digital files or locked file cabinets
- Establish an **emergency reserve** fund (from dues, fines etc.)
- Train your team in **basic financial policies** and ethics

More to think about...

8. Risk Management

Succession Planning:

- What happens if the treasurer leaves? Who is the back up? Design a succession plan.
- What if a donor delays funding? Know your fixed costs and critical priorities and schedule your funds to minimize interruption of activities.

Donor delays aren't always in your control

- Changes in donor priorities
- Political decisions

And there are other things outside of your control, such as natural disasters.

Building up a reserve fund or 'emergency fund' can help

Having a 'continuity plan' can help

4. Building with D.A.R.T.: Operational Values That Funders Respect



D.A.R.T.

The Core Values of the JN Group



Dependability

Keep your promises and follow through.



Authenticity

Be honest about what you can do.



Respect

Honour rules and respect all partners.



Transparency

Keep clear, trackable financial records.

Your potential partners and funders are looking beyond numbers; they assess how your team demonstrates **D**ependability, **A**uthenticity, **R**espect, and **T**ransparency in everyday operations.

Build Image, Reputation, Credibility and Trust

Consistently living your values strengthens relationships with donors, partners, and the communities you serve.

Support Audit-Readiness & Banking Relationships

Consistently adhering to clear values improves your ability to maintain accurate records, respond to financial reviews, and meet the requirements of banks and auditors with confidence.



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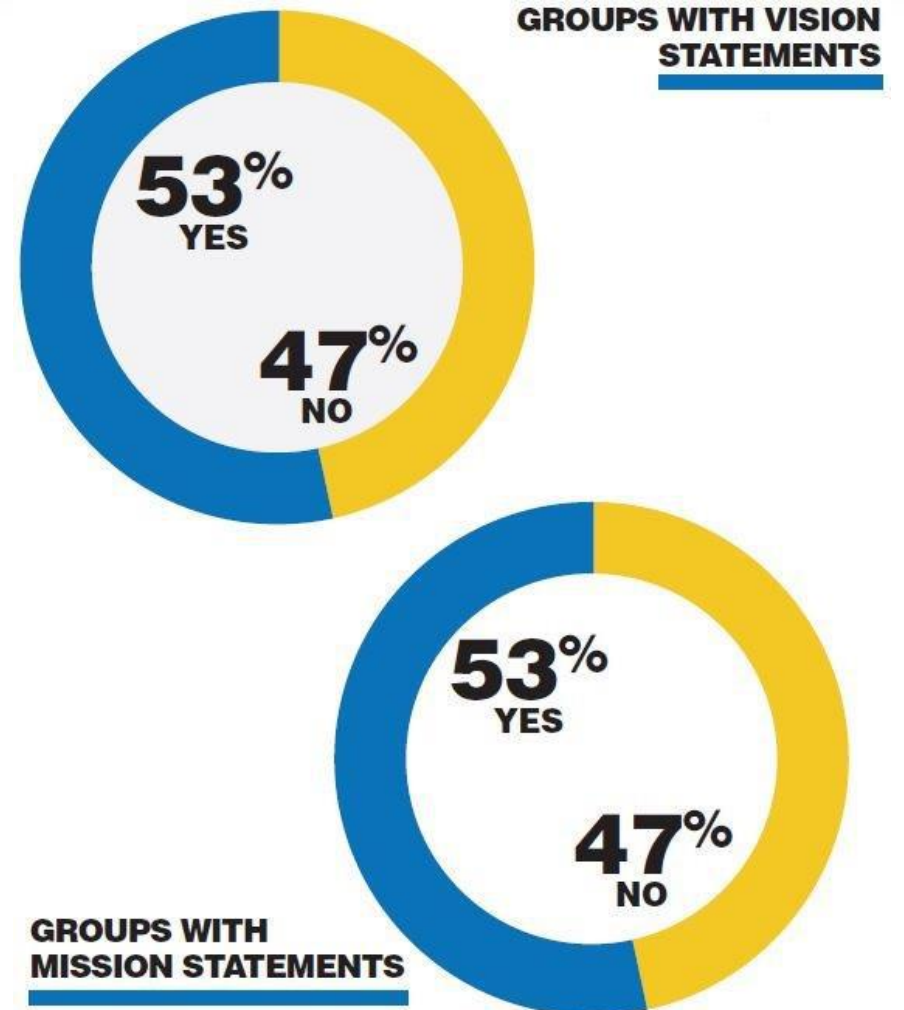
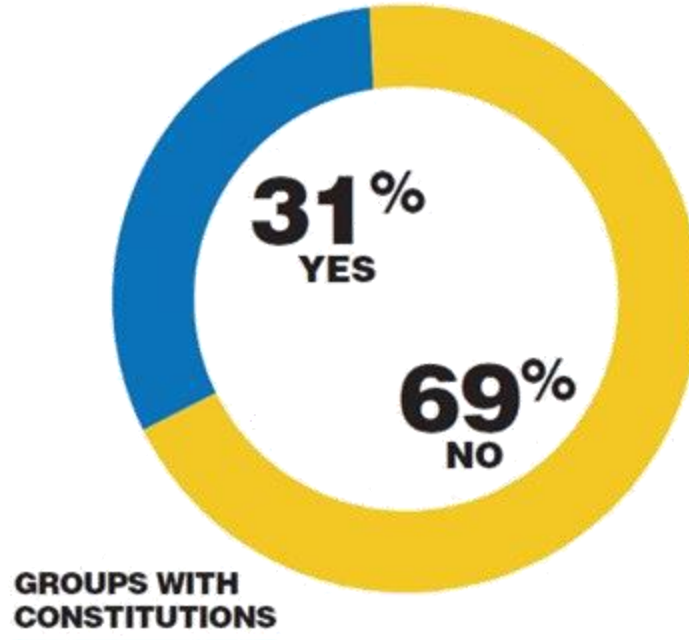
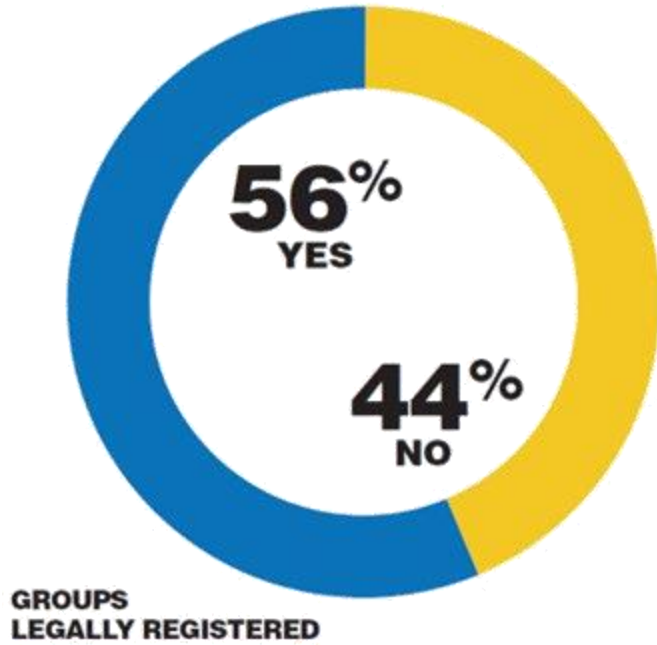
Designing Projects and Systems with Funders in Mind



THE WHY....

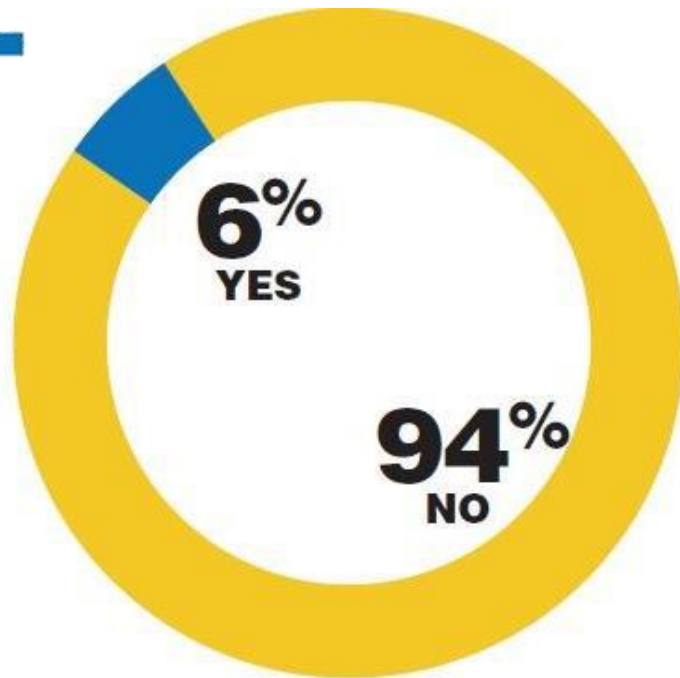
Civil Society Organizations are on the frontlines - contributing to fighting for environmental, economic, social and political issues that support a just, inclusive and sustainable society. It is through civil society organizations that the Sustainable Development Goals (SDGs) will be achieved in every nook and cranny of Jamaica

CSO Capacity Gaps

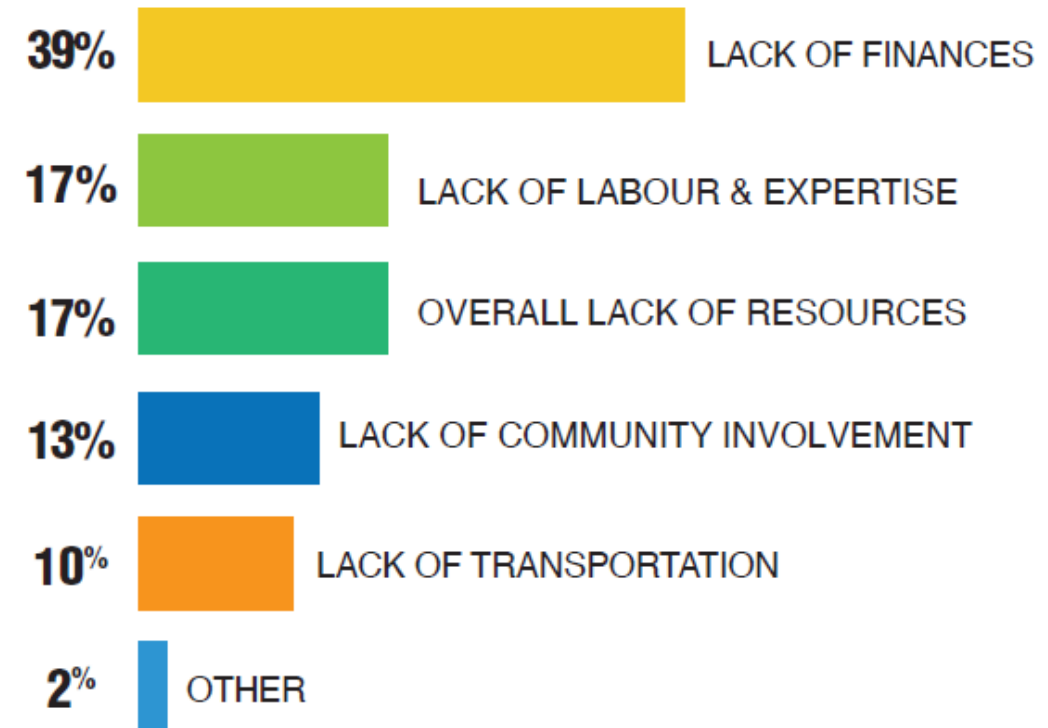


CSO Capacity Gaps

MEMBERS COMFORTABLE WITH PROPOSAL WRITING



CHALLENGES DURING PROJECT IMPLEMENTATION





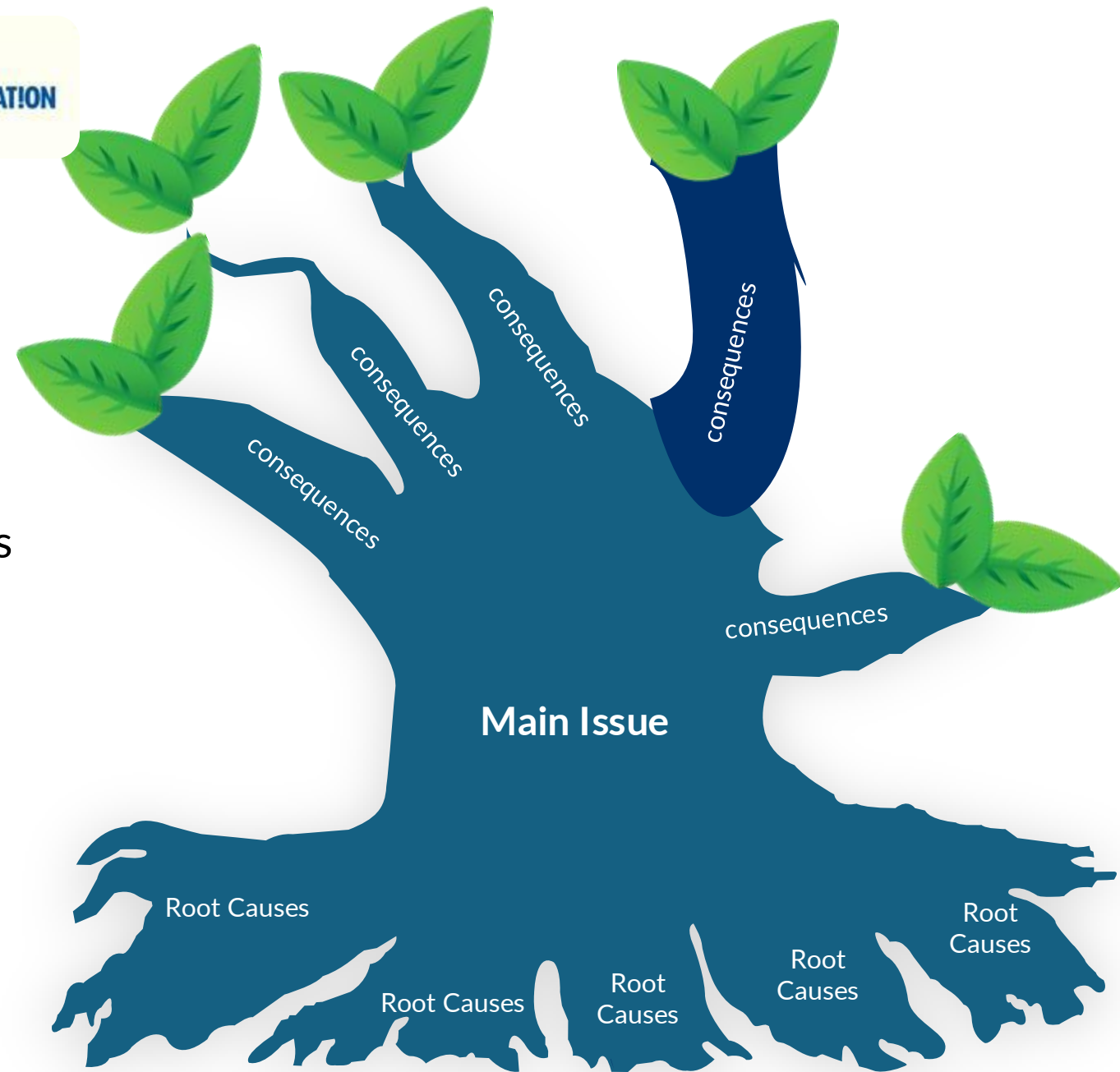
Understanding the problem you are trying to address

One of the biggest challenges with writing an award-winning grant proposal is not spending adequate time to understand and outline the problem you are trying to address

- State the problem as clearly and as concisely as possible
- Reflect on the donor goals and guidelines
- Include specific information on the beneficiaries
- Include research data, live examples, and past projects
- Explain organisational strength and capacity in addressing this problem

SITUATIONAL ANALYSIS TOOL - PROBLEM TREE

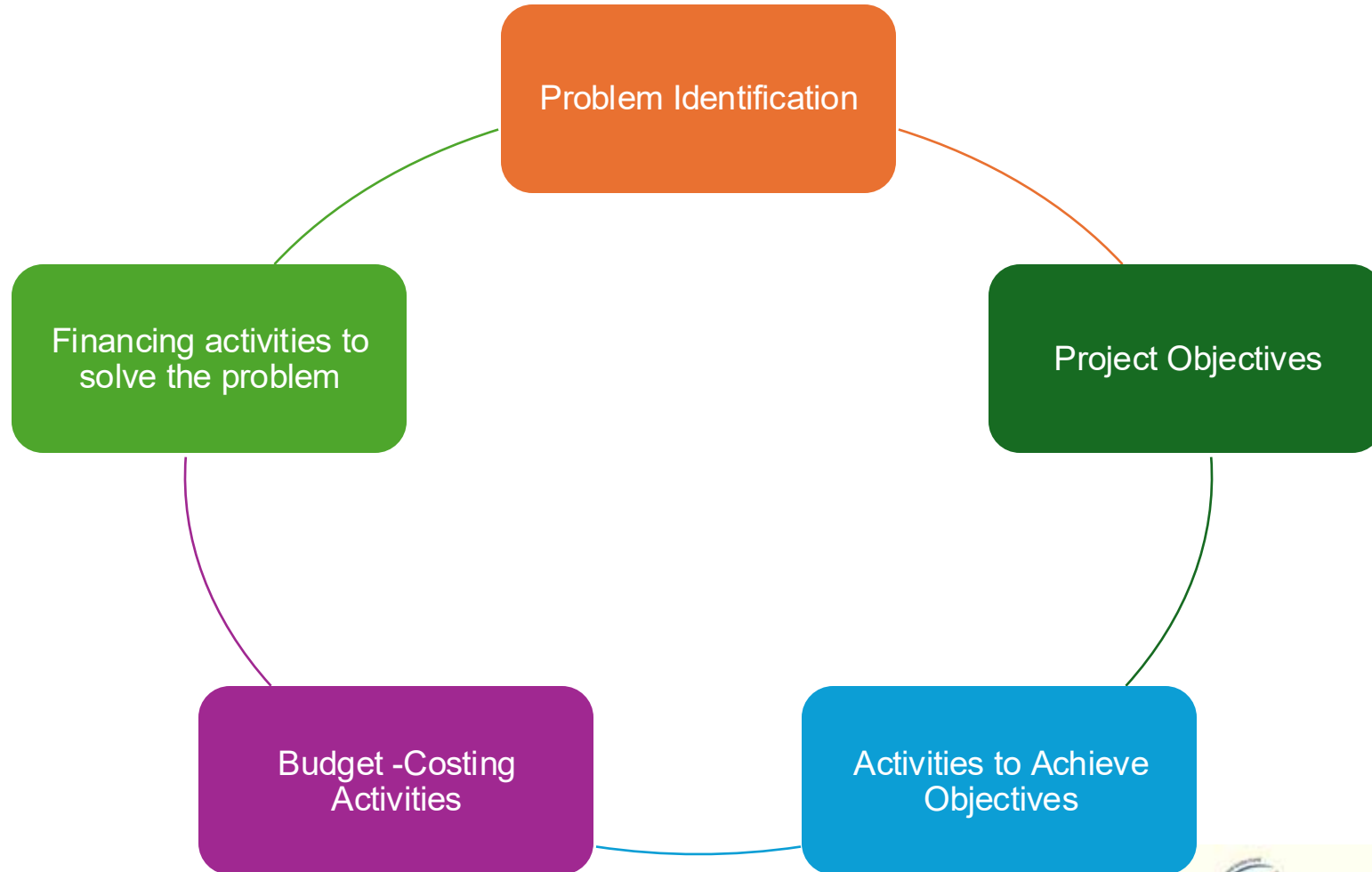
- In the context of planning a social intervention program a Problem Tree helps you understand the issue at hand.
- It helps you visually map the main problems, their causes, and the consequences they lead to.
- This gives you a clear picture of what you're up against, making it easier to design effective programs/projects.



Financial Literacy for Community Champions



Financial Literacy for Community Champions



Gender-Responsive Budgeting (GRB)

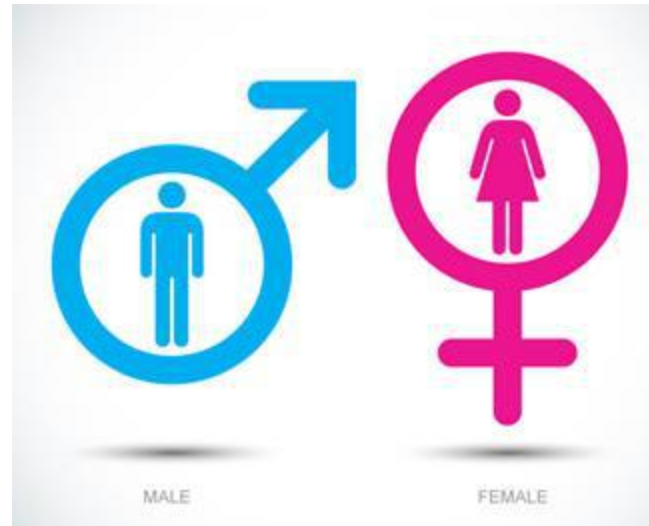
What is it?

Why is important ?



Gender-Responsive Budgeting

It is not **ALL** about women?



GRB is integrating gender equality more strategically at the policy, planning and budgeting levels.

GRB is seeking to ensure resources are effectively allocated are needed to remove barriers to participation and therefore ensuring empowerment.

GRB is not about creating separate budgets for men and women or increasing spending on women's programmes.

Scenario 1:

In “Leafville” a small community in Jamaica, it was noticed that everyday women and children are seen carrying containers of water on their heads, in their hands or pushing carts carrying many jugs of water.

A NGO working in the community was concerned that they were not seeing men assisting in the fetching of the water and decided to develop a project to sensitize men to be involved.

Scenario 2:

In “Leafville” a skills training project is being implemented by the Community Development Committee. The training sessions are being held 4 days a week 9am – 3pm. However, the Coordinator is distraught because they believe some of the women are only coming to get the lunch provided because they leave after lunch at 12 and do not return until the next day.

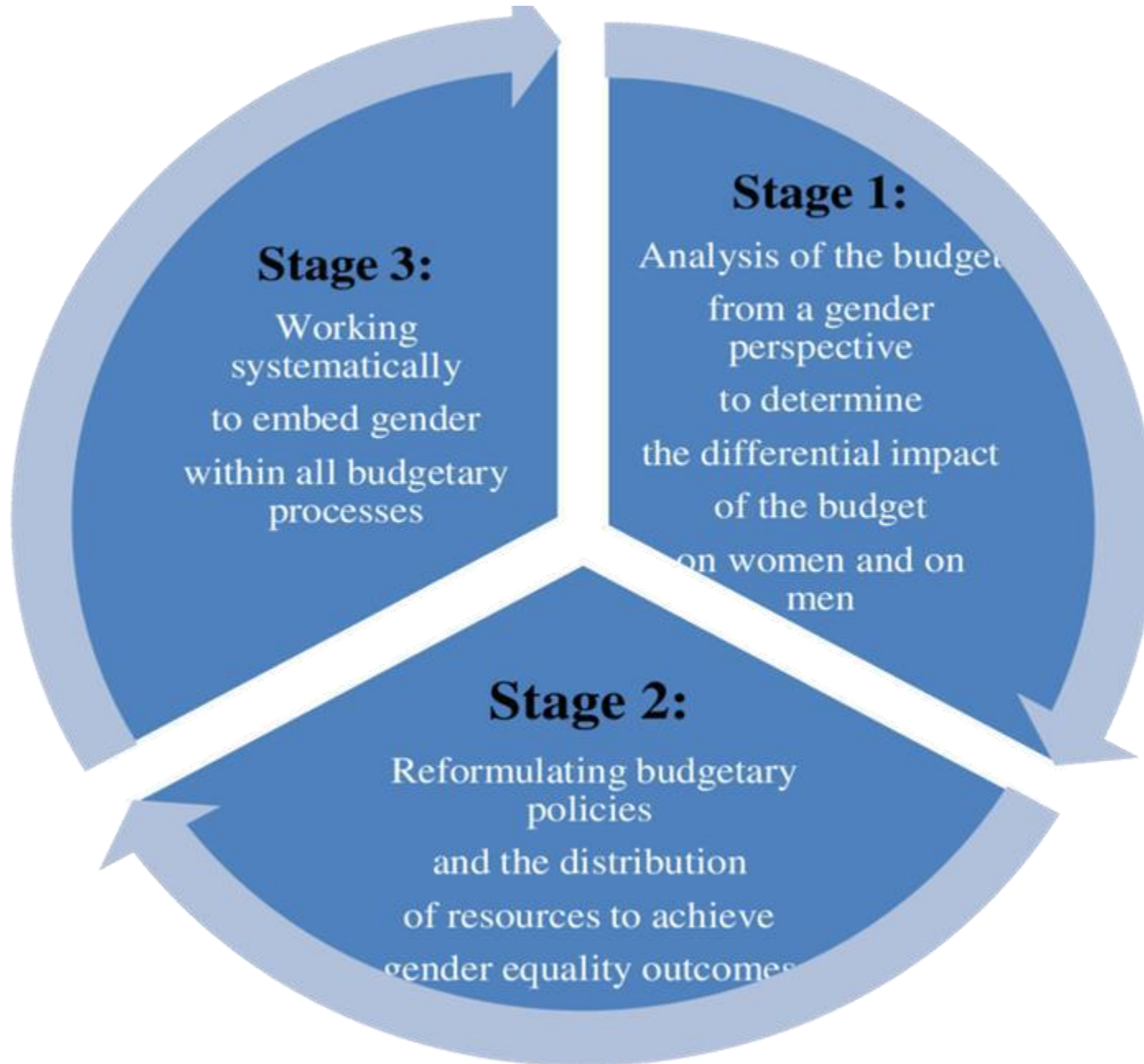
Scenario 1:

Following a community meeting with the men and women of “Leafville” to discuss how to involve the men more in carrying water from the standpipe the residents stated that water was only provided in the pipes between 2 - 4pm which at that time, the men were at work outside of the community. It was with that realization the entity then engaged the utility company to have water provided early mornings and/or later in the evenings.

Scenario 2:

The training Coordinator of the “Leafville” skills training project after meeting with the women that leaves the training early discovers that they are mothers with young children that leaves basic school at 1pm and so they have to go and collect the children and stay home with them as they did not have anyone else to stay with them.

GRB Stages



Step-by-Step Guide to Developing a Gender-Responsive Budget

❑ Step 1

- Gender Analysis - Problem Identification using gender data and Quantitative and Qualitative Data, gender Statistics etc.

❑ Step 2

- Develop a strategy- is it Gender-responsive?
- Does the project match the findings of the gender analysis

Source: UNWOMEN 2022

Budget to Achieve Gender Equality Outcomes

Projects must allocate sufficient funds for the successful implementation, monitoring and reporting of gender equality outcomes. The financial allocation for gender equality-related activities must be included in the project proposal, annual work plans and budgets, tracked and reported throughout project implementation. Some GAC Programs as well as some individual projects have established minimum budgetary allocations for gender equality. Gender equality budgetary commitments are often stated in contracts with implementing partners.

Inclusive Budgeting

- Situational Analysis should identify the ‘what’, ‘who’, ‘why’, ‘when’ and ‘how’
- Project Design should address all of the above
- Project Budget should independently support the project as designed and address concerns raised in the situational analysis
- Inclusive budgeting considers and seeks to provide for the needs of those being impacted and supported by the project, persons with disabilities, senior citizens, men, women, children etc. and could also include indirect beneficiaries.

Funders Review



A strong proposal is one that:

- ✓ Can succinctly express the problem
- ✓ Provides a solution to address the problem that is inclusive and integrated (no silo but incorporates the wider community)
- ✓ Clearly understands the risks that may prevent the goal from being achieved and identifies correct mitigation strategies
- ✓ Imbeds sustainability actions that will continue beyond the project
- ✓ Budget reflects activities shows some cost share

A strong organization is one that:

- ✓ Has a sound governance structure – oversight, not one ‘man’ shop
- ✓ Has a good track record of delivery
- ✓ Has capacity and good management systems in place
- ✓ Has a good financial management system in place
- ✓ Must have a bank account



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Dept. of Co-operatives & Friendly Societies





Ministry of Industry
Investment & Commerce

Jamaica's **Business** Ministry



DEPARTMENT OF CO-OPERATIVES & FRIENDLY SOCIETIES (DCFS)

Charities Authority

PRESENTED BY :



Visit Our Website

dcfs.gov.jm



DCFS's MANDATE

The DCFS has a mandate to regulate entities registered under Five (5) Acts:

- Co-operative Societies Act
- Friendly Societies Act
- Industrial & Provident Societies Act
- Charities Act
- Agricultural Loan Societies & Approved Organizations Act



OUR MANDATE IN ACTION

In executing its mandate, DCFS :

- Facilitates Registration
- Monitors and Supervises Registered Societies/Organizations
- Ensures Legal and Operational Compliance
- Conducts Audits & Investigations
- Facilitates Training & Capacity Building



PRESENTATION OVERVIEW



CHARITIES



**BENEVOLENT
SOCIETIES**

THE CHARITIES ACT 2013

Facilitates the registration, regulation, administration and governance of Charitable Organizations desirous of benefiting from tax relief under the following statutes: **The Customs Act, General Consumption Tax Act, Income Tax Act, Stamp Duty Act, Property Tax Act, and Transfer Tax Act.**

EXCLUDED BODIES

Organizations that fall under this heading **will not be registered** as a charitable organization.

- Political party or a body that promotes a political party or a candidate of a political party.
- A trade union.
- A representative body of employers.

EXCLUDED BODIES CONT'D.

- A chamber of commerce or other body that promotes the interests of commercial entities.
- A body that promotes purposes that are unlawful, prejudicial to public order or safety.
- A body that is in support of terrorism or terrorist activities, whether these activities occur in Jamaica or outside of Jamaica or for the benefit of an organization, being a member of which is unlawful.

ELIGIBILITY

- Organizations Pursing Non – profit , charitable purposes in areas such as education, health, relief or poverty alleviation.
- Organizations with none of its income or assets going to governing board members of any private individuals.



REQUIREMENTS FOR REGISTRATION UNDER THE CHARITIES ACT

Register as a non-profit organization at the Companies Office of Jamaica. Website located at www.orcjamaica.com. Thereafter submit the following to the Charities Authority:

- Certificate of Incorporation
- Articles of Incorporation



REQUIREMENTS FOR REGISTRATION UNDER THE CHARITIES ACT

Articles of incorporation/constitution should include the entity's objects and powers as well as several areas outlined in the Charities Regulations, 2022.



REQUIREMENTS FOR REGISTRATION UNDER THE CHARITIES ACT

Objects

What your charity is set up to achieve? (Its purposes must all be charitable for the public benefit) should answer the following questions:

- What? – What charitable purpose(s) the organization wants to be involved with/ what outcomes are the charity set up to achieve.
- Who? – Who are the beneficiaries of the charity, who is the target group(s) e.g., women, children, animals, people in need etc.
- Where? – Where is the target area for the charity? Where does your charity want to extend itself e.g., a particular parish or town, community or all of Jamaica.

Powers

The powers must state the activities to be undertaken by the charity in order to ensure that the objectives are being achieved. Powers answers the question how:

- How? – This reveals how the organization will carry out/ execute its objectives. What are the steps that will be taken in fulfilling the objectives of the organization?

REQUIREMENTS FOR REGISTRATION UNDER THE CHARITIES ACT

An Application Form accompanied by-

- A non-refundable fee of \$5000
- Fit and Proper Questionnaire for each Governing Board Member along with a recent passport-sized photograph certified and dated by a Justice of the Peace/Attorney-at-law/Notary Public



REQUIREMENTS FOR REGISTRATION UNDER THE CHARITIES ACT

- Tax Registration Number
- Prior year Financial Statements (for entities registered over a year) or projected Income Statement (for newly registered organizations)
- A detailed plan of Charitable Activities
- Administrative Operations Management Policies and Procedures of the Charitable Organization



REQUIREMENTS FOR REGISTRATION UNDER THE CHARITIES ACT

- PEP Form
- Beneficial Ownership Form



REGISTRATION PROCESS FOR CHARITIES

Upon receipt of an Application the Authority may cause inspection to verify information furnished is accurate.

If all requirements have not been met, the organization has between 10 – 20 working days (depending on the status and level of completion of the outstanding documents) to submit/re-submit.



REGISTRATION PROCESS FOR CHARITIES

Processing time – 30 working days

Application along with other relevant documents forwarded to Tax Administration Jamaica (TAJ) for review.

TAJ indicates a non-objection or an objection to registration within fourteen (14) days.



REGISTRATION PROCESS FOR CHARITIES

If there is an objection:

- re-submit amended documentation within sixty (60) days of rejection, all other documentation previously submitted will remain relevant; **or**
- an Appeal can be made to the Charities Appeal Tribunal as per Section 37 of the Act.
- any application being submitted after sixty (60) days will be treated as new and the process is restarted;



REGISTRATION PROCESS FOR CHARITIES

If a non-objection is received:

- Certificate will be prepared once all requirements are met
- Certificate is valid for two (2) years



TIPS FOR SUCCESS

- Visit the Charities Authority to speak with an officer for guidance.
- Send an email requesting guidance at : info@dcfs.gov.jm.
- Visit our website : www.dcfs.gov.jm and download Guidance Notes along with current forms.



BENEVOLENT SOCIETIES

Established for any benevolent or charitable purpose and are mainly community-based organization to:

- Facilitate community development
- Lobby for improvement of community infrastructure
- Promote, assist and support healthy lifestyles including protection of the environment
- Foster job creation and training opportunities
- Assist in the reduction of crime and violence.

BENEFITS AVAILABLE TO BENEVOLENT SOCIETY

- Access to funding
- Lobbying power e.g. infrastructure development
- Employment
- Skills Training
- Tax exemption(Income Tax & Stamp Duty)



REQUIREMENTS FOR REGISTRATION AS A BENEVOLENT SOCIETY

- The Group should have at least twenty-one (21) members.
- The Steering Committee should be elected from the Group and should be an odd number of persons (e.g. five (5), seven (7), nine (9), etc.)
- Application Forms and Registration Agreement duly completed.
- Project Proposal/Development Programme
- Statement of Affairs i.e. Income and Expenditure and declaration of Assets and Liabilities.



REQUIREMENTS FOR REGISTRATION AS A BENEVOLENT SOCIETY

- Copy of Bank Account/or Cash in Hand Statement signed by the Officer who is in possession of same in order to verify the balance on the Statement of Affairs.
- Payment of Two Thousand Dollars (\$2,000.00) for registration fee.
- Proposed Rules (\$3,000.00)
- Written proof of proposed location for registered office.
- Pre-Registration Training at a cost of \$900 per hour (Minimum of five (5) hours training)



BEST PRACTICES TO MAINTAIN COMPLIANCE for Benevolent Societies

- Submission of financial records to facilitate audits in a timely manner.
- Convening of Meetings as per Rules.
- Know the Rules & Act that govern your society
- Submit Annual Returns on time
- Do proper strategic planning & budgeting
- Keep abreast of happenings in industry within which you operate
- Identify and manage risks associated with operations



POST REGISTRATION REQUIREMENTS FOR CHARTIES



Post Registration Requirements:

- Annual Returns by March 31st each year
- Audited Financial Statements by March 31st each year
- Notice of Change no later than twenty-eight (28) days after the change

POST REGISTRATION REQUIREMENTS FOR CHARITIES



Post Registration Requirements:

- Renewal
 - Two months prior to the expiration of the certificate, the charity can commence the renewal process and has up to 6 months grace period after the expiration date to renew. Failing to renew within the timeline, the charity has to apply for re-registration.

CHARITIES/BENEVOLENT SOCIETY

1

Charities

- A Charitable Trust; or
- Any institution established whether incorporated or not incorporated which -
 - Is established exclusively for charitable purposes
 - Operates for the public benefit
 - Has no part of its net income or asset ensuring to the personal benefit of any board member or settlor of the organization or any private individual
 - Exempt from applicable taxes

2

Benevolent Societies

- Established for a benevolent or charitable purpose
- Controlled – by members
- Provide services to the larger community
- Surplus – absorbed in operations
- Losses absorb in operations
- Membership- as per rules
- Taxation – not subject to income tax.

DCFS' POST- REGISTRATION SERVICES



Research, Training & Development

- Provides capacity building training
- Assist with the development and implementation of policies/ Rule Amendments
- Conducts Operational assessment to ensure Statutes and good business practices are implemented.
- Attend Meetings of Board and Management



Regulatory

- Conducts Inspections
- Conducts pre-audit checks and financial assessment Accounting Records
- Attend Board and Committee meetings
- Attends and provides technical assistance at Annual General Meetings



Auditing

- Conducts Audit in keeping with the requirement of the Acts & Regulations
- Conducts Investigations once any impropriety is identified or reported.
- Attends Annual General Meetings to present Audits.



Ministry of Industry
Investment & Commerce

Jamaica's **Business** Ministry



Questions?

T h a n k y o u f o r
p a r t i c i p a t i n g



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Benefits of Banking for Community Based Organizations





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Establishing Banking Arrangements



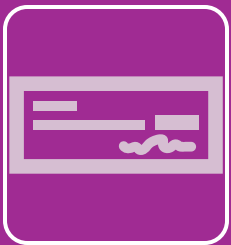
At the end of this session, participants should



Know common requirements for KYC compliance and due diligence



Understand how to develop protocols for signing officers



Know how to maintain banking records

Establishing and maintaining formal banking arrangements and sound record keeping.

Interactive component: Participants self-assess for readiness to begin the account opening process by applying the information being shared and developing an action plan for completion post-workshop if necessary

Main Features of a Financial Management System

6.

Formal Banking Arrangements

A dedicated bank account **in the name of your group** with at least two signatories is good practice

If necessary, additional bank accounts may be useful in managing funds, particularly where some funds should be segregated for specific purposes.

Benefits of having a bank account for the group:

1. Improves the security of financial management
2. Creates an independent track record of your expenditure, which can be used to support grant applications
3. Enhances the groups financial credibility

Remember what we said about a bank account as a feature of your FMS?

More on banking after lunch!

Why Having a Bank Account Matters

Benefits of banking for community-based organizations:

Bank accounts help community groups to build financial credibility, maintain proper record-keeping, and gain access to **grants, loans, and digital transactions.**

Having a dedicated bank account also provides a clear separation between personal and **organizational funds, supporting transparency and accountability.**

BENEFITS OF BANKING FOR COMMUNITY-BASED ORGANIZATIONS



Financial Credibility



Record Keeping



Access to grants, loans and digital transactions



Separation of funds

Here's more on banking

If you are considering a credit union or PC Bank account for your organization, ensure they are able to receive international funds transfer and offer accounts in foreign currencies.



Setting Up Protocols for Signing Officers



Signing protocols help keep the money safe and make sure the right people approve spending. They also make it easier to manage and update who can sign.

- Who should be a signing officer?
- Good practices for dual signatories and approval controls
- Keeping your mandate (up to date
- Templates or examples for setting up resolutions

Maintaining Banking Records

Keeping these records helps your organization stay organized and show how money is used.

Funders often ask for this information to make sure their money is being spent the right way or to check if you can manage funds well.

What records to keep:

- Bank statements
 - Deposit slips & withdrawal records
 - Copies of checks
 - Monthly reconciliation reports
-
- Tools to track activity (e.g., Excel ledger, software, manual logs/books)

Choosing the Right Bank

It is important to choose the right financial institution to support your financial needs.

Ensure the institution is registered deposit-taking institution.

If possible, consider the needs of local and international partners; make sure your bank can accommodate their transactions.

Be sure to consider:

- Are the services and products offered relevant to your group?
 - Do they offer wire transfer services?
 - Will you need to make wire transfers?
 - Is there a limit on signatories?
 - What are their complaints or dispute resolution avenues?
- What are the fees and charges
- Are bank statements easily accessible
- Are the requirements achievable for your group?