

Rotary



DISTRICT ASSEMBLY 2024

FOR CLUB TREASURERS

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POINTS TO COVER

- Responsibilities
- Timetable for Club Treasurers
- Accounts
- Charities
- Gift Aid
- Taxation
- YOUR CONCERNS



Where do we fit in?

- Reminder England in 2 zones
- 19 and 20 A,B,& C
- District 1040 is in Zone 19. – North of England
- Zone 20 A is South of England and Channel Isles and Gibraltar.

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Where do we fit in?

Zone 19 - in a North of England Cluster Group.

1030 North East **50+ Clubs**

1040 Yorkshire and N. Lincs **90+ Clubs**

1180 Mid North Wales, Wirral, Merseyside, parts of s
South Lancs Cheshire and Shropshire. **+80 Clubs**

1190 Cumbria and North Lancs. **+60 Clubs**

1285 North Lancs and Isle of Man. **+60 Clubs**



Lets go back to Responsibilities

- **Stewardship and custody** of funds on behalf of your clubs
- **Financial management** – dealing with receipts (including subscriptions) and payments and recording thereof
- **Preparing annual accounts** of the Club and any Charitable funds

Responsibilities cont.

- Arranging independent **examination**
- Preparing a **budget** for approval by Council
- **Reporting** on finances to Club meetings
- Club account **certification forms**

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Club Treasurer's Year

- **1 July** (and possibly 1 January) – collect subscriptions from members (Set own deadline for payment date.) Pay RGB&I by **end July and District by end August**.
- **Before 31 December** – Annual accounts, which have been examined, must be presented to and approved by Council. Circularisation to members needs to be a minimum of 21 days before the meeting.

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Treasurer's year continued....

- **1 January** pay second half year capitation to RGB&I
- **By end May** budget presented to Council.
- Appoint Independent Examiner (needs to be annual appointment) at EGM usually before end December.
- Send Certification of examination of Club and Charity accounts to District



Treasurer's year Continued

- Taxation – if required, pay corporation tax by **1 April** and file corporation tax return by **30 June**.
- **Before 30 April** – file documents at relevant Charity Commission Regulator for Charities.

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Questions?



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A reminder about banking arrangements

Money received

- All monies should be banked promptly.
- Monies received from street collections and other fundraising activities should be counted and prepared for banking by 2 Club members, retaining copies of count sheets and bank counterfoils for future reference.
- Monthly reports to the Club of all monies received should be made by the Treasurer.



A reminder about banking arrangements, continued...

Payments

- Prior to making any payment the Treasurer or other authorised official should receive “authority to pay” from 2 Club Officers. This authority can be by hard copy or email or any other electronic means. Copies of the authority should be retained and filed for future reference.
- Monthly reports to the Club of all payments together with bank reconciliations should be made.

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A reminder about banking arrangements, continued...

Control over mobile app and internet banking

- Clubs using an app facilities which are most often operated by one person should ensure at least 2 other Club Officers have oversight access rights to view the account.
- For internet banking use input and release facility.
- The bank reconciliations prepared by the Treasurer should be countersigned by one of the 2 Club Officers with oversight of the account.

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Management accounts

- ✓ Best practice to circulate management accounts monthly for both Club and Charity
- ✓ Compare actual against budget.
- ✓ Include committed expenditure.
- ✓ Analyse charity fund into unrealised, designated and restricted funds

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Charity Accounts

[Prepare a charity's annual accounts - GOV.UK \(www.gov.uk\)](#)

Follow the online decision tree,

<£25k -receipts and payments basis or accruals- **you choose.**

>£25k to <£250k as above BUT get them checked.

NB **RGBI requires all accounts to be checked.**

Charity Annual Return

[Prepare a charity annual return - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

31st July 2023 “My Charity Commission Account”

Deadline-30th April ie 10m after year end.

- ✓ If Income <£10k, only report gross income and gross spending.
- ✓ If Income >£10k but <£25 as above but you need to answer questions
- ✓ No attachments necessary.



Annual Return

- ✓ If Income >£25k answer questions, as above, and
- ✓ Report any serious incidents, and
- ✓ Get your accounts examined or audited.
- ✓ Submit Trustees Report, Accounts and Examination Report

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Questions?



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CHARITABLE INCORPORATED ORGANISATIONS

- **POSSIBLE FORMS OF CHARITY STRUCTURE**
 - UNINCORPORATED ASSOCIATION
 - TRUST
 - CHARITABLE COMPANY (LIMITED BY GUARANTEE)
 - CHARITABLE INCORPORATED ORGANISATION (CIO)



Clubs and Trusts

- They are **separate legal entities**.
- A Rotary club is a membership association – objects are social not charitable.
- Trust/(S)CIO or charity has a separate legal constitution – Trust Deed.

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CLUBS AND THEIR TRUSTEES

- CLUB COUNCIL is responsible for the administration of your Rotary Club
- THE TRUSTEES are responsible for the administration of your Charitable Trust including fundraising and distribution of funds
- CLUB MEMBERS will often assist the Trustees in fundraising and suggest worthy causes for benefiting from the funds raised

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Clubs and Trusts/(S)CIOs, continued...

- Trusts/(S)CIOs are not to specifically undertake action to fulfil a purpose (unlike Cancer Research, RNLI etc.), but to engage in charitable projects and distribute funds to enable other organisations to pursue their purpose.
- Charitable actions must be for “Public Benefit”, not restrictive or exclusive (CA2011 section 3,4).

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Clubs and Trusts/(S)CIOs, continued...

- Trusts and CIO's are independent of the Club
- Trustees who may be officers of the Club have a fiduciary duty to the beneficiaries
- Trust/(S)CIO must have:
 - Trust Deed, Bank Account(s), Books of account,
 - minutes of meetings, etc. INDEPENDENTLY from the club.
- Club can advise/suggest beneficiaries, but Trustees are not legally bound by such advice/recommendations.

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CLUBS AND THEIR TRUSTEES

- Number, appointment and term of office of Trustees
- Eligibility of Trustees and termination of Trustees
- Calling of and procedures at Trustee meetings
- Confirmation that Trustees cannot benefit financially from Trusteeship
- The powers of the Trustees
- The delegation of Trustees powers
- Duty of care and extent of liability of Trustees
- Accounts and Annual Returns
- Trustee expenses



CLUBS AND THEIR TRUSTEES

- WHY NOT HAVE SOME SORT OF FORMAL OPERATIONAL GUIDELINE?
- YOU ALREADY HAVE A TRUST DEED BUT THESE ARE USUALLY BRIEF AND OFTEN ONLY SPECIFY THE APPOINTMENT OF TRUSTEES AND THE WAY IN WHICH FUNDS ARE TO BE DISTRIBUTED
- YOU CANNOT CHANGE THE TRUST DEED VERY EASILY SO DRAW UP A SEPARATE DOCUMENT (UNDER SECTION 280 CHARITIES ACT 2011) TO COVER THE FOLLOWING:-

Questions?



GIFT AID

- CAN ONLY BE CLAIMED THROUGH YOUR REGISTERED CHARITY
- [Get recognition from HMRC for your charity - GOV.UK \(www.gov.uk\)](https://www.gov.uk)
- EXAMPLES OF WHAT ARE INELIGIBLE GIFTS -
 - Rotary Club subscriptions
 - Sale of raffle tickets
 - Concert admissions
 - “minimum donations” ie. No choice
- Gifts with a condition about repayment



GIFT AID SMALL DONATIONS SCHEME

- MUST BE REGISTERED WITH HMRC
- MUST HAVE MADE “ORDINARY” GIFT AID CLAIM IN TAX YR.
- DONATIONS MUST BE IN CASH (NO CHEQUES)
- DONATIONS CAN BE BY CONTACTLESS CARD,
 - NO MINIMUM VALUE.
- EACH DONATION MUST BE NO MORE THAN £30

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GIFT AID SMALL DONATIONS SCHEME

- DONATIONS SHOULD BE BANKED INTACT (TO CREATE AN AUDIT TRAIL)
- THE MAXIMUM TAX WHICH CAN BE CLAIMED IN ANY ONE YEAR
10 x YOUR ORDINARY DONATIONS OR £2,000

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ROTARY INSURANCE POLICY

COVERAGE

INSURANCE GUIDE POLICIES INCLUDE:-

COMBINED LIABILITY – covering legal liability for death or injury to club members, volunteers and/or members of the public and legal liability for damage to their property.

CHARITY PROTECTION INSURANCE – covering Charity Trustees Liability for wrongful acts of Officers and a Fidelity Guarantee.

LEGAL EXPENSES – to protect members in the event of a criminal prosecution arising whilst acting on behalf of Rotary.

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ROTARY INSURANCE POLICY

COVERAGE

LIBEL AND SLANDER – covering District and Club publications

PERSONAL ACCIDENT – covering all Rotarians and voluntary helpers whilst acting on behalf of Rotary.

REGALIA AND MONEY – covering loss or damage to Club/District Regalia and Money

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ROTARY INSURANCE POLICY

WHO IS COVERED?

All DISTRICTS AND CLUBS, including individual members and volunteers.

ROTARACT AND INTERACT

INTERIM/PROVISIONAL Rotary, Rotaract and Interact clubs.
Rotakids.

Legally constituted CLUB TRUSTS AND REGISTERED CHARITIES established for the management of Trust Funds which are directly connected to and managed solely by any district/Rotary club and its members within Great Britain & Ireland.

RYLA within Great Britain & Ireland (excluding personal accident)



SOURCES OF INFORMATION

Rotary Document Library

<http://www.rotarygbi.org/members/club-district-support/compliance/insurance/>

Rotary Insurance Policy

<http://www.rotarygbi.org/members/club-district-support/compliance/insurance/>

HMRC for Gift Aid

<https://www.gov.uk/claim-gift-aid/small-donations-scheme>

<https://www.gov.uk/claim-gift-aid-online>

Charity Commission guidance leaflets

<https://www.gov.uk/topic/running-charity>

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Thank You



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