

## FINANCIAL ADMINISTRATION OF GROUP FUNDS

Since Maghull and Lydiate U3A was formed some eight years ago the organisation has grown out of all recognition and now comprises of over forty groups and with this growth has come the need for a unified accounting system which can easily reconcile the Group Leaders' records with that of the Treasurer.

These changes will simplify our accounting procedures and make information more readily available for the Treasurer, the Independent Examiner, and also the Charities Commission who have the power to arrive at a meeting unannounced and demand to see the accounts.

The following procedures are therefore to be followed:-

A three cash column, A4 size cash book is provided to each Group Leader in which to record all financial records. The first two full pages are pre-stamped with the coffee morning dates for the whole financial year. The commencing balance is already shown and what is required to be entered on these pages is –

### **1 Funds paid into the Treasurer, 2 Funds withdrawn from the Treasurer, 3 Running balance**

The remainder of the book can then be used for your day to day recording, which should include total payments from members, expenses, venue hire, refunds etc. and cash in hand, for each group meeting. Some Group Leaders will find that the book will last for a few years, in which case it will be stamped up for the following year. On the other hand, if another book is needed in any one year, just ask.

Group Leaders ask the Treasurer periodically what their current balance is, whereas a group leader should be able to say that according to his/her records the group has £xxxx, and does this agree with the Treasurer's records? If there is any discrepancy it does not necessarily mean that the Group Leader's figures are wrong - We can all make mistakes and by adopting this system there is therefore a two way check.

Each Group Leader to hold a small cash float. The size of this float can be decided by the group leader as his/her experience will help decide this. The float can be created simply by holding back a certain amount prior to paying in to the Treasurer and can be topped up as necessary by the same method.

Day to day payments out are to be paid out in CASH from the group float and will include such things as refunds, raffle prizes and drivers tips etc on trips, refreshments purchased for meetings (tea, coffee etc), postage stamps, stationary etc. This list is not exhaustive but will give an indication as to what will be paid out by groups.

When paying in cheques to the Treasurer please ensure that the name of the payee is shown on the back of the paying in slip. This will greatly aid identification if a cheque is returned by the bank for any reason.

When paying in to the Treasurer for more than one item, for example for two separate trips, please ensure that these are itemised on the paying in slip.

### **Receipts for money paid out - (Required for any item over £5)**

#### **1.By the Treasurer**

The receipt is attached to the claim form and retained by the Treasurer

#### **2.From money held by Group Leader**

The receipt is to be held with the Group Leader's records.