

## CHAPTER 1

### FINANCIAL MATTERS

#### BRANCH AUDITED ACCOUNTS

1. All Branches are registered charities under the Association Rules and By-Laws for Branches (Registered Number 287265) and are therefore required by law to submit their audited accounts as at 31 December each year. These accounts are consolidated with the Association Central Fund account and forwarded to the Charities Commission.

2. Those Branches with total assets exceeding £12,500 must have their accounts audited by a professional accountant, those with assets of £12,500 or less may have their accounts audited by two members of the Branch appointed by the committee. Branch accounts that are audited by professional accountants do not require any supporting documentation. Those that are audited by two members of the Branch must include:

a. Bank and/or Building Society statements (or audit certificates) showing the balance of the account as at 31 December. Statements showing any other date will not be accepted.

b. A reconciliation between the Bank/Building Society statement and the audited account showing un-presented items (cheques/deposits etc.).

c. A certified list, signed by the Treasurer and auditors of assets (i.e. stock of sale items, stocks, shares, property and cash in hand).

3. Branch audited accounts are to be forwarded to the General Secretary by the date required each year, usually 31<sup>st</sup> January at the latest.

#### GIFT AID DECLARATIONS

4. Prior to April 2000 all members were encouraged to provide an annual donation to Association Central Funds by way of a Deed of Covenant. This enabled the Association to reclaim the income tax already paid by the donor, thereby increasing the amount received into welfare funds. Additionally, under the Association scheme, individuals could elect to have the principal sum donated paid to his local Branch, with the tax element being retained in the Association Central Fund.

5. As part of the government's strategy to simplify charity giving, the HMRC modified the arrangements for charitable donations and reclaiming the tax. **From 6 April 2000**, a simpler more flexible **Gift Aid Declaration** replaced the old Deed of Covenant arrangement, although existing Deeds of Covenant remain in force. The existing scheme whereby the individual donor may elect to have the principal sum 'refunded' to a Branch of his choice, will remain, both in the case of existing Deeds of Covenant and the newer Gift Aid Declaration. All such monies will be paid to

Branches in December of each year. A copy of the Gift Aid Declaration and Bankers Standing Order Instructions are at Annexes A & B.

### **BRANCH WELFARE EXPENSES**

6. All expenses incurred in the investigation or furtherance of individual welfare cases within the Branch area, whether undertaken by the Branch Secretary, or any other responsible office-holder, are to be absorbed by individual Branches. An annual Welfare and Administration grant is paid to Branches by Association Headquarters to help offset such expenditure. Motor Mileage Allowance if travelling by car may be paid at the rate determined by the Finance Committee of the Association or as agreed locally.

### **BRANCH ASSETS**

7. All Branch accounts and assets are to be held in the name of the Branch concerned. Under no circumstances are these to be held in the name of an individual member.

### **BRANCH WORKING EXPENSES**

8. All Branches are deemed to be self-supporting, and claims for the refund of Branch working expenses will not be met from Central Funds, except in exceptional circumstances for which a special claim must be submitted to the Finance and Executive Committees at their meetings in March/April or October each year. An annual Welfare and Administration grant, as mentioned at para 6 above is paid to Branches and may be used to offset such expenditure.

### **ANNUAL BRANCH PAYMENTS**

9. All monies due to Branch funds will be paid in December of each year. This may include:

- a. **Gift Aid Repayments.** As shown in paragraphs 4 and 5 above
- b. **Christmas Gifts.** See Chapter 4
- c. **Supplementary Allowances.** See Chapter 4

### **Annexes**

- A. Grenadier Guards Association Gift Aid Declaration
- B. Grenadier Guards Association Bankers Standing Order