

## Group Expenditure Guidance for Group Contacts.

These guidance notes apply to Interest Groups that regularly hire venues and/or pay fees to speakers; Interest Groups that by their nature collect money from members and use this to facilitate an activity e.g. Groups that visit theatres, cinemas etc; any Interest Group that collects/spends money on behalf of the members.

Groups that hold their meetings in members' homes and levy a small charge for refreshments do not need to follow these procedures but a Group Emergency Contacts Form and a Group Attendance Register must still be completed.

**PLEASE NOTE:** This guidance must be adhered to because:

- It is a legal requirement
- It helps to protect both Group Contacts and the members of their group
- It helps the Treasurer to complete the financial statements at the year's end.

**PLEASE:**

Use the standard forms that have been produced to help you keep track of money. These consist of a Group Attendance Register, Group Bank Deposit Form, Cheque Request Form and Group Balance Sheet. These are available on the website – see Forms/Group Contacts Forms.

1. Group Contacts should ensure that they collect sufficient money from group members to cover the expenditures they are planning to incur. It is not acceptable for groups to incur deficits.
2. Where groups use the banking facility money should be collected and banked in advance of cheques being raised. Nevertheless it is recognised that situations may arise where a cheque needs to be raised at short notice, in which case money should be collected and banked as soon as possible thereafter.
3. Whenever money is collected from a group for the hiring of a venue, fees for speakers, etc. this should be recorded against each person's name on a Group Attendance Register. It is good practice to give members a receipt (simple carbon backed receipt book will suffice) but this is not a requirement.
4. The total of this amount should then be entered on the Group's Balance Sheet and can be handed to the Treasurer for banking if necessary, using the Group Bank Deposit form.
5. Group Contacts should not hold more than £300 in cash at any one time and in any event it would be sensible to bank sizeable sums should the Group Contact need to hold these for any length of time.
6. Wherever possible a cheque should be raised to cover costs – the Treasurer will provide cheques on request. Nevertheless it is recognised that this is not necessary or appropriate for every single transaction and it is therefore acceptable for Group Contacts to pay by cash to meet incidental expenses (always obtain a receipt).

7. Where venues need to be hired, any contract must be negotiated and signed by the Treasurer. There are two ways in which the hire costs can be paid. If it is convenient and straightforward for the Group Contact to pay the provider of the venue direct then this may be done using the cash collected. A receipt should be obtained from the provider and retained by the Group Contact. In all other cases, monies for rent should be deposited with the Treasurer using a Group Bank Deposit Form. The Treasurer will then pay the provider on receipt of their invoice.
8. Receipts or invoices should be obtained for all transactions and attached to the Group's Balance Sheet.
9. The Group Contact needs to be able to account to group members and the Treasurer for the way the money has been spent, using a simple financial statement. The Group Balance Sheet should be used for this purpose. Income from members should be entered as well as expenditure incurred (cheque or cash as appropriate). The sheet provides for a running balance of money held as cash and at the bank. A copy should be sent to the Treasurer at the end of the financial year (31 March), with a copy being kept by the Group Contact for their records. For those groups which do not collect or spend money the sheet should be endorsed "nil return".

**FORMS AVAILABLE:**

Group Attendance Register (Which can be used to record money paid by group members)  
Group Bank Deposit Form  
Cheque Request Form  
Group Balance Sheet

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