



## District 105 SW – Notes for Treasurers

### Introduction

The finances of the club are the responsibility of **all** the members. However **you** are responsible for keeping good financial records, reporting on the finances and alerting members to possible problems when your club meets. You must record in the club accounts all money that is received by you, either from Lions or from the public.

### Club Accounts

These run 1<sup>st</sup> July to 30<sup>th</sup> June; the “fiscal year”. Keep it simple. Better to run an analysed cashbook than lots of bank accounts. All money received (cheques & cash) should be paid into the bank as soon as possible. You are covered for specified amounts of cash in transit and at home under the Lions Insurance Policy (details at back of your current MD Directory). My advice is that you run three separate bank accounts:

- Administration
- Fund Raising
- Charity (Registered, if you wish)

Review the type of account you use. Some offer better interest but impose charges if the number of transactions exceed a limited number. There should be three signatories, including yourself. Specify any two out of the three to sign. Obtain the mandate forms and start the process in good time because there is quite a bit to do.

**Administration Account.** This account should not contain any transactions relating to the club's charitable activities. The main income to this account will be members' subscriptions. All the expenses relating to the running of the club should be paid from this account e.g. International, MD and District dues, club supplies, secretary and treasurer's expenses etc.

**Fund Raising Account.** This is the working account for your fund raising activities. All income and expenses of running events pass through this account. Lions are allowed to receive agreed expenses incurred in fund raising activities. In some clubs individuals choose to donate some or all of these expenses to the

Admin account. Lottery and Amusement Act licence fees can be paid from here. Periodically transfer funds from this account to your charity account but remember to leave a working balance in the account to enable you to make advance payments for future events.

**Charity Account.** The money in this account is only to be used for charity and should not be used for any other purposes. It is advisable to register this account with the Charity Commissioners, mainly for presentational purposes, in dealing with other charities and the public. Lions Clubs as such are not eligible for charitable status. If registered, accounts will need to be submitted to the Charity Commissioners each year. Gift Aid donations to your Charity Account, if registered, are eligible for refund of tax.

### **Annual Accounts**

As soon as possible after the end of the year, you should prepare the accounts and you should arrange for these to be examined and reported on. The Multiple District has ruled that the examiner does not have to be a qualified accountant:

“By audit, we mean a club should have a prepared set of accounts examined by a suitably qualified, independent examiner who shall append to the accounts a report of examination. An independent examiner is a person who is reasonably believed by the club to have the requisite ability and practical experience to carry out a competent examination of the records. If that person is a member of that club, then that person shall not be a signatory to the club’s bank accounts”.

After examination, the club treasurer should present the accounts to a club meeting. All the Lions in your club are responsible in law for the club’s finances and therefore should take an interest in them. They need to consider how much it costs to run the club. Do subscriptions balance dues and other major expenses? A copy of the examined accounts should be sent to the District Treasurer by 31<sup>st</sup> December.

### **Payments to District**

With few exceptions all money for dues and donations should be made payable to “LCI District 105 SW” and sent to the District Treasurer, accompanied by a District Payment form or other list of the composition. Do not send cheques to Oak Brook. After considerable delay they will send them back and tell you to send your dues to your District Treasurer.

Exceptions to this are payments to the organisers of District events such as Competitions, Forum and Convention. Other exceptions are, Melvin Jones Fellowships which should be sent direct to the MD LCIF officer (currently \$1,000).

### **International Dues and Club Supplies**

At the end of each month, Oak Brook will send you a statement of account for the pro rata dues for new members and any supplies purchased. The half years run from 1 Jan and 1 July.

The statements dated 30 June and 31 December will also include a half-year per capita charge for International dues for every member listed on your club's Membership Reports for May and November respectively. It is your secretary, through the Membership Reports, who controls your list of members. If it is wrong, your secretary should take it up with the District M&A Report Co-ordinator. If you drop any members during June and December this will be credited to your account in January and July but only if this has been reported in the Membership Report for June or December. If this is not done then Oak Brook do not give refunds and the full amount for the next six months is due.

The statements from Oakbrook show all transactions in \$US and you will have to convert this to UK equivalent. To do this you multiply the dollar amount by the exchange rate at the top of the statement. Your payment is made to the District Treasurer in £'s. Please enclose the top payment slip from the Oak Brook statement and complete the "Amount of Payment" (at bottom right of slip). Payments due to Oak Brook will attract interest charges from day 90.

### **Banking by District Treasurer**

I pay in your monies received for Oak Brook, into their UK bank account on about 25<sup>th</sup> of each month. Concurrently I e-mail a list of club credits to America. Oak Brook balances all club accounts once a month on the last working day and then sends out your statements. I do not receive a copy of your Oak Brook statements, only a consolidated list later in the month. So if I receive your payment after the 25<sup>th</sup> of the month then Oakbrook will not record it until the following month.

### **Multiple District and District Dues**

Each July and January you will receive from the District Treasurer an account for these dues. These accounts are based on your club's membership at the end of June and December. There is no pro rata charge or credit for changes in numbers during the half year. The July account will include a call for the MD insurance premium. Part of the insurance may be paid from the Fund Raising Account. The account will explain each year what proportion is acceptable. The January account will call for support for the MD and District Youth Programme. Support for the MD Youth Programme is a resolution carried at the 1999 Plymouth MD Convention:

"Each Lions Club in the Multiple District shall be requested by their District Treasurer to make a recommended minimum payment of £50 from their Charitable Account to support the costs of the Multiple District Youth Programme. To be collected in a single payment on 1<sup>st</sup> February".

The District Cabinet suggests a donation of a further £50 to support our own District's extensive youth programme making £100 in total.

May 2008

Geoffrey Bland - District Treasurer