

Local group annual reporting guidance 2018

Introduction

We know it's unlikely you look forward to completing your local group's annual report each year. And we understand the time and effort needed to run a local group. So, this year we're keeping it simple. We've combined the annual return form and activity report, meaning you'll only need to complete one annual report for your local group. There is also a section for you to tell us about how you plan to spend any funds over £3,000.

You'll need to fill in as much of the form as possible. If a section is not relevant to you, move on to the next one.

This guidance document will help you complete the form and explains what you need to fill in and why.

The deadline for completing and submitting the annual report is Friday, 18 January 2019.

If you have any questions or need some help speak to your local volunteering team or email: volunteering@diabetes.org.uk



What are local group annual reports

Annual return	<p>A financial report of how much money your local group has raised and spent from January to December.</p> <p>The law states that all charities must have their accounts audited by qualified official at least once a year. As local groups are part of Diabetes UK and use the same charity number, we're required to collect this financial information from groups to give to our auditors. All of our accounts are audited centrally and you'll not need to have your group account audited independently.</p>
Retention of funds plan	<p>A plan explaining how you will spend funds held over £3,000.</p> <p>By law charities must use the money they receive in line with their aims. This means we can't hold large amounts of money in reserve without a plan. This is why our local group agreement states that local groups who have more than £3,000 (or six months running costs, whichever is greater) in their account at the end of the year must have agreed a plan of how they'll spend it.</p>
Activity report	<p>A summary of group activities and achievements for the year.</p> <p>This report helps inform us about the great work your local group is doing, to enable us to celebrate you and understand how we can better support local groups.</p>

Submitting your local group annual report



When you've completed this report and it has been signed by the chair and treasurer on page 4, please submit a copy via email to your local volunteering team and to **localgroupfinance@diabetes.org.uk**

If you're unable to email a copy of your annual report, please print and post a copy to your local volunteering team, who will then forward a copy to **localgroupfinance@diabetes.org.uk**

Don't forget to keep a copy for your group.

Please submit by Friday, 18 January 2019 and make sure that you:

- 1 Fill in all the relevant sections**
- 2 The annual return on page 4 is signed by the group treasurer and chair (this can be an electronic signature)**

Annual return guidance

What if our group has not undertaken any financial activity this year?

If your group has not had any income or expenditure in 2018 we still need an annual return for your bank account for auditing purposes. There is a tick box at the end of the form on **page 4** for you to tick for you to indicate that you have had no income and expenditure that year.

If your account is not with Diabetes UK Barclays, Danske or Unity then we will need bank statements for the last 12 months. If you require a copy of bank statements please request these from localgroupfinance@diabetes.org.uk or contact your local volunteering team.

The annual return forms explained



Statement of receipts, payments and assets

This form is a statement of how much money the group has received (receipts) and money the group has spent or donated (payments) during the year, and how much money the group has at the end of the year (assets). Below are the for definitions of each item in the statement.

Section	Item		Guidance
Receipts	1	Donations	Total amount received in donations from individuals or organisations.
	2	Grants	Total amount received in grants from government, organisations or trusts.
	3	Legacies	Legacies left to the group during that year.
	4	Diabetes UK sales	Total from sales of Diabetes UK goods.
	5	Other sales	Total from sales of non-Diabetes UK goods. These need to be shown separately to Diabetes UK sales items, for taxation purposes.
	6	Bank Interest	Include any interest received into the group bank account during the year.
	7	Total receipts	A subtotal of items 1 to 6.
Payments	8	Running costs and fundraising costs	Total expenses relating to running fundraising activities, committee meetings and running the group, eg stationary, catering, any costs relating to room or space hire, promotional materials.
	9	Local activities and events	Total spending on local support and welfare activities carried out by the group, eg speaker costs, cost of awareness events, social activities for group members.

Payments	10	Diabetes UK merchandise for resale	Total spent on Diabetes UK goods for resale, eg items purchased from the online shop.
	11	Other purchases for resale	Total spent on purchase of non-Diabetes UK goods. These need to be shown separately to Diabetes UK goods for taxation purposes.
	12	Diabetes UK Type 1 Events, holidays and weekends	Total spent on sending local children, young people and families on centrally organised Diabetes UK Type 1 Events.
	13	Other Diabetes UK events and conferences (attendance fees)	Total spent on cost of attendance at centrally organised Diabetes UK conferences and events (not Type 1 Events).
	14	Other payments or donations	Include expenses incurred that cannot be included in any of the other headings.
Supporting the wider work of Diabetes UK	15	Total donations to Diabetes UK work	Total donations to the work of Diabetes UK, either to central funds or from our list of local funding options.
	16	Total payments	A subtotal of items 7-15.
Balances	17	Receipts over payments	Subtract number 16 (total payments) from number 7 (total receipts).
	18	Cash at bank at 1 January 2019	How much money was in the group bank account(s) on 1 January 2019? This should match the balances as at 31 December 2018 as reported on your annual return.
	19	Add petty cash in hand at 1 January 2018	How much petty cash or cash that was not banked, did you have on 1 January 2018? This should match the balances as at 31 December 2017 as reported on your annual return.

Balances	20	Petty cash and bank balance at 31 December 2018	Work this out by adding items 16, 17 and 18 together.
	21	Cash at Bank at December 2018	Input the figure from the bottom of your bank reconciliation. This is the amount of cash you have in the group bank account(s) on 31 December 2018. If the group still has more than one account you will need to add the total from each bank reconciliation to arrive at this figure.
	22	Petty cash in hand at December 2018	How much petty cash or cash that is not banked, do you have on 31 December 2018?
	23	Total	Add items 20 and 21. This should be equal to figure in item 19. This number will be different from the closing balance on the bank statement if you declare anything on the bank reconciliation.
Tick box if no activities for year ended 31 December 2018			Tick this box if your group has not had any activities, and therefore had no income or expenditure to declare in the boxes above.
Signatures			Please make sure the form is signed by both the chairperson and treasurer of the group. Electronic signatures are acceptable.

Bank reconciliation



The bank reconciliation explains any differences between the value on the group bank statement and how much money the group actually has.

In the vast majority of cases this is because a cheque has been written but has not been cashed yet, or because money was paid into the group account that has not yet been credited to it by the bank.

Even if neither of these things have happened, the form needs to be completed but the subtotals A and B will be nil values.

All Diabetes UK groups should only have one bank account under Diabetes UK. If for any reason your group still has more than one bank account then an additional bank reconciliation will need to be completed for each account.

Please fill out this section as follows:

- 1 Deposits not yet cleared** Please list all items that you have paid in, when you paid it in, and where the money came from (cheque, cash, donation etc). Then provide the total value of all these items in 'subtotal A'.
- 2 Payments not yet cleared** Please list all cheques you have written or transfers made that do not appear on your bank statements providing the information requested for each item, then put the total value of all these items in 'subtotal B'.
- 3 Bank balance** Finally in the last box add the bank statement balance and subtotal A and then deduct subtotal B.

Legacies received



If your group has received a legacy in 2018 (where someone has left the group money or assets in their will), please give us more detail in this section. If the group has not received any legacies this year then this section can be left blank.

Please provide any additional supporting documentation received with the legacy for auditing purposes.

Information on grants and restricted donations



So we make sure we do not apply for the same grants or funds from the same donor we ask that local groups let us know about grants and restricted donations you've received. Restricted funds are grants or donations where the donor has specified that the funds can only be used in a particular way or for a specific purpose.

Information on other payments made

If you have entered an amount under item 14 on page 1 please give more details of each payment here. Include the amount, what the payment was for and who was the recipient.

Supporting the wider work of Diabetes UK



Even though local groups fund themselves, we expect and encourage you to run activities that match our main aims, which you can find in the Local Group Agreement. Although all groups are responsible for raising funds and managing their finances, they are part of Diabetes UK and all monies raised under our charity number must be spent solely on our charitable goals.

Our Local Group Agreement also states that local groups can hold up to £3,000 (or six months running costs, whichever is greater) in their bank account at the end of December each year. This is because we're legally required to use the money we receive in line with our aims, and large amounts of monies should not be held in reserve.

Many groups donate their excess funds back to our core work each year. Some groups decide to donate to one of our research projects. You can find out more about these by speaking to your local volunteering team or at www.diabetes.org.uk/research/our-research-projects/adopt-a-project

Other groups like to keep funds for activities they have planned. This is called retention of funds. If your group would like to do this there are some extra things you need to do.

If you plan to retain funds



If your group is planning to retain funds over £3,000 for planned activities you must complete the retention of funds plan in your annual report. Your plans need to be agreed with your local volunteering team before you spend these funds.

Before you submit your activity plan of how you plan to spend these funds, please read the Local Group Agreement along with the Group Expenditure and Funding Guidelines Policy. These give examples of how groups can spend monies in a way that meets our aims, and is within the guidelines which have been set by our trustees and the Charity Commission.

Your groups proposed activities or projects should also have been chosen and agreed upon by your committee.

If your group owns any assets



If your group own any assets over the value of £500.00 than you must complete the group assets form. Examples of items your group might own include a laptop, projector, marquee.

What other documents do we need?



We'll need copies of supporting documents for any legacies, grants or restricted donations the group has received in 2018. Our external auditors have the right to request any other supporting documents related to financial activity. We will contact you if this is requested.