

## **Aughton & Ormskirk U3A**

### **Accounts for the year ending 31st March 2022**

#### CONTENTS

	Page
Independent Examiner's Report to the Trustees	1
Report from the Trustees	2 - 3
Notes to the Accounts	4
Receipts and Payments Account	5 - 6
Summary of Cash Movements	7
Statement of Assets and Liabilities	8

## Independent Examiner's Report to the Trustees of

### Aughton & Ormskirk U3A

I report on the accounts of the charity for the year ended 31 March 2022, which are set out on pages 3 to 6.

#### Respective responsibilities of trustees and independent examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act
- to state whether particular matters have come to my attention

#### Basis of examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### Independent examiner's statement

In the course of my examination, no matter has come to my attention

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- \* to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations
- \* to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations

have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Chris Sales  
Chartered Accountant  
JVSA Accountants  
Suite 205-209 Malthouse Business Park,  
48 Southport Road,  
Ormskirk  
Lancashire  
L39 1QR

11/5/2022

### Structure, Governance and Management

Aughton & Ormskirk u3a is an independently funded and managed unit, founded in 2003, belonging to the wider national u3a family, overseen by the Third Age Trust (TAT). TAT provides a recommended structure, insurances and licences, advice and guidance. All u3a units have a shared objective of offering local people the opportunity to continue to learn and share interesting activities together. It is a Registered Charity and operates under a Constitution last amended in 2018.

A&O u3a is managed by a supervisory Board of Trustees and a Management Committee, all members being elected annually at the AGM. Four specialist subcommittees deal with day-to-day detail and offer support to the Management Committee. All Trustees, Committee members and officers are appointed in accordance with the Constitution.

### Membership and Communications

Membership, is open to anyone who has reached partial or full retirement. The majority of activities are held in the daytime. A modest subscription of £15 p.a. covers all administrative costs. For a couple years pre-Covid, membership had been around 1,900 with a natural attrition rate of 200 - 250 p.a. made back in the following 12 months.

During the two years of the pandemic membership numbers fell by around one quarter to 1,400, due to normal losses and a reluctance to take part even as Covid-related restrictions eased. Communications were limited to emails and electronic newsletters with only a limited number being contacted by post. Following suspension in March 2020, outdoor activities and some fitness groups began to operate in the late spring of 2021. Many delayed until September or beyond. All activities are now operating as the financial year closes.

### Finances

Finance is overseen by the Finance subcommittee, led by the Chairman of MC and Hon. Treasurer. The accounts are examined annually by JVSA Accountants of Ormskirk.

For a number of years pre-Covid, we offered premises-based activities at 50p per session, irrespective of the cost of the hire of the room and the number of attendees. This was a strategy adopted with the aim of reducing our bank balance. Up to Spring 2021, the subsidy had been running at approximately £15,000 per annum. At the 2021 AGM, our treasurer advised that it was time to make premises-based activities self-funding.

From July 2021, the cost of a session was set at £1, £1.50 or £2 depending on the hourly cost of the premises, the duration of the session and the number of attendees. This approach was implemented successfully and has been very effective in coping with the ongoing impact of Covid on membership numbers and on members' inclination to participate in activities. For this 2021-2022 financial year, the hire of premises has been subsidized by less than £3,000.

During 2021/22, our bank balance has increased by around £11,000. This is in part due to reduced expenditure on administration while we have made greater use of electronic communications. Coincidentally, we have around £10,000 of payments we know will fall due between now and the point when we receive the next wave of members' annual subscriptions.

We aim to keep £45,000 in reserves to cover any liabilities against unforeseen difficulties. This represents around 50% of that spend which isn't pre-funded by members' contributions (e.g, pre-paid contributions toward tutor costs). This is in line with Charity Commission recommendations.

### **Plans for the Future**

**Management** – difficulty in recruiting to fill vacancies on the Management Committee and Trustees has led to a decision by both bodies to change the Constitution to one that involves one management body with all its members becoming Trustees. This is in line with the national u3a Constitution, written by Third Age Trust and approved by the Charities Commission. Other roles within the organisation, such as web master, need succession planning and shadowing of specific tasks over time.

**Membership** – current recruitment of new members suggests that numbers will continue to rise slowly. Our strategy is to allow organic growth with personal recommendations being the most successful means of integrating new members.

**Finance** - the biggest threat in the coming year is the increased cost of fuel and its impact on premises costs. It is inevitable that all the halls we hire will try to ensure ongoing viability by increasing charges.

**Communications** - electronic newsletters reached the attention of surprisingly few members despite their willingness to provide email addresses. A hard copy magazine in February 2022 was well received. Two further hard copy editions are planned for the calendar year. The income from subscriptions will easily cover this expense and should result in greater participation in activities.

Thanks to my fellow Trustees, the Management Committee and its officers and to all members who take part in leading and organising activities, whether it be making the tea, dealing with chairs and tables, planning and executing meetings, events or just coming along, taking part and being a friend to anyone in need. Please keep on doing whatever you can, using your life skills and time to keep this amazing organisation functioning, growing and developing.

Susan Watkinson  
Chair of the Trustees

**Notes to the accounts for year ending 31st March 2022**

Measures implemented to address the Covid-19 pandemic impacted on our ability to offer premises-based activities during the first half of this financial year. A limited number of such activities restarted in July 2021. The majority of activities resumed by the end of September 2021. Understandably, attendance was adversely impacted by members' continuing concerns over the threat to their wellbeing. Comparison of the 2021-2022 figures against the 2020-2021 figures or any historic figures is of little value.

**A) Main Account**

- 1 These accounts are produced on a 'Receipts and Payments' basis.
- 2 The HSBC Main account (supplemented by PayPal and United Trust Bank accounts) is funded by members' annual subscriptions and the associated Gift Aid which has been claimed from HMRC. These are used to cover the administrative overheads of the U3A; specifically: (a) member's subscription to the Third Age Trust, (b) use of the TAT Beacon system, (c) production and distribution of the magazine, (d) website, email and telephone, (e) professional fees and (f) other typical office costs.

**B) Groups Account**

- 3 The aim is for total activity-related receipts to cover total activity-related payments. We do not expect each individual activity to be self-funding; although, in the case of tutors, coach hire and theatre tickets, the individual member is expected to make a contribution that covers the cost relating to him/her. The HSBC Groups account is simply a conduit facilitating payment of service providers (room hire, coach hire, tutors...) from financial contributions made by members. The U3A takes no fees or commission for facilitating payment of suppliers from members' financial contributions.
- 4 Payments under 'Day Trips (coach hire)' exclude the cost of hiring coaches for theatre and Philharmonic trips. In these two instances, the cost of coach hire is bundled into the cost of the trip.
- 5 The payments for hire of the Aughton Village Hall and The Civic excludes those payments associated with the rehearsals of Drama and Musical Theatre productions. In these two instances, the cost of hiring premises is bundled in with the production expenses.

**C) Policy on Cash Reserves**

- \* Our level of cash reserves is intended to meet known and expected liabilities in the short and medium term, and to act as a contingency provision to secure the long-term continuation of the U3A's organisation and its activities.
- \* The trustees have agreed that, in pursuit of these objectives, the U3A should hold cash reserves equivalent to approximately six months expenditure. This is consistent with the guideline offered by the Third Age Trust.
- \* A significant element of our expenditure is pre-funded by members' contributions and, as such, does not represent a liability. Effectively, the U3A is acting as a conduit of members' money to be passed straight through to a third party. Instances of 'straight through' money include contributions covering the cost of tutors, theatre tickets, coach hire and other costs associated with field trips and study tours. In establishing the monetary value of six months expenditure, the trustees have agreed that the expenditure which is pre-funded by members' contributions can be omitted from the calculation.
- \* The policy on cash reserves will be subject to review from time to time by trustees and may be modified in the light of changing conditions.

## Aughton &amp; Ormskirk U3A

## Receipts and Payments Account (Main account, plus supporting PayPal &amp; UTB accounts)

Period : 1st April 2021 - 31st March 2022

TOTAL RECEIPTS				TOTAL PAYMENTS			
ADMINISTRATION		2021-2022 Apr-Mar	2020-2021 Apr-Mar	ADMINISTRATION		2021-2022 Apr-Mar	2020-2021 Apr-Mar
		TOTAL FUNDS (ALL UNRESTRICTED FUNDS)				TOTAL FUNDS (ALL UNRESTRICTED FUNDS)	
		£	£			£	£
Subscriptions (HSBC + PayPal)				Membership letters		202	141
Membership Desk		10,805	8,015	Third Aid Trust			
PayPal		11,895	4,620	TAT Membership		5,380	6,528
Donations		1	10	(including insurance)			
Gift Aid		2,032	4,095	TAT general/magazine		1,643	2,088
TAT diary sales		376	0	TAT diaries		393	
				Sub-total			
		25,109	16,740			7,416	8,616
Events				Events			
Social Committee		2,677	0	Social Committee		3,162	
Groups Support				Groups Support			
Carol Concert				Carol Concert		284	
		2,677	0			3,446	0
				Magazine & Newsletter(prod./post)		2,689	309
				Speakers (venue & expenses)		360	155
				Website/internet/phone		720	852
				Stationery & supplies		191	125
				Office machines		135	103
				Equipment		1,191	333
Bookstall		166	0	Printing		75	
				Meetings (committees)		203	
				Independent Examiners		990	1,650
				HSBC bank charges		37	
Interest on deposits		0	0	PayPal charges		281	113
Paid to HSBC Main a/c		145	657	Postage / PO Box		497	544
Rolled over in UTB bond		132		Sundries		120	
		0		Sub-total		7,489	4,184
Sundries (admin. related)							
<b>TOTAL</b>		28,228	17,397	<b>TOTAL</b>		18,552	12,941
Excess of receipts over payments		9,676	4,456				

## Aughton &amp; Ormskirk U3A

## Receipts and Payments Account (Groups account, facilitating members' activities)

Period : 1st April 2021 - 31st March 2022

TOTAL RECEIPTS				TOTAL PAYMENTS			
ACTIVITIES	2021-2022 Apr-Mar		2020-2021 Apr-Mar	ACTIVITIES	2021-2022 Apr-Mar		2020-2021 Apr-Mar
	TOTAL FUNDS (ALL UNRESTRICTED FUNDS)				TOTAL FUNDS (ALL UNRESTRICTED FUNDS)		
	£	£	£		£	£	£
<b>Group Activities (hired halls)</b>				<b>Group Activities (hired halls)</b>			
Contributions to room hire		27,058	122	Premises			
				S&G HQ hire		11,710	2,350
				Other premises hire			
				Age UK (West Lancs)			
				Aughton VH	6,964		609
				Burscough Sports Centre	2,088		
				Green Lane Guides HQ	520		
				Haskayne VH	150		
				Lydiat VH			
				CC Ministry Centre	1,038		
				St. Michael's Church Hall	964		
				Scarisbrick VH	5,756		
				The Civic	1,032		
				Town Green W.I. Hut			
				Sub-total		18,512	609
				Group-related spend (general)		205	
Contributions (tutor)		28,759	9,204	Tutors		26,553	15,827
<b>Group Activity (other)</b>				<b>Group Activity (other)</b>			
Contributions (trips/events)		2593		Day trips (coach hire)		500	
				Day trips (other payments)			
				Day trips (contrib. refunds)			561
				Events		776	
Theatre Visits				Theatre Visits			
..... Refunds (from theatres)			1,664	..... Refunds (to members)			2,670
Philharmonic Visits	1,712			Philharmonic Visits	1,331		
..... Refunds (from Phil.)			114	..... Refunds (to members)			87
		1,712	1,778			1,331	3,318
<b>Group Activity (external club)</b>				<b>Group Activity (external club)</b>			
Crown Green Bowling				Crown Green Bowling			
<b>Productions / Events</b>				<b>Productions / Events</b>			
Drama		2,271		Drama	1,552		
Musical Theatre				Musical Theatre	382		
Sub-total		2,271	0	Sub-total		1,934	0
Short courses / Workshops				Short courses / Workshops			
Sundries (activity related)		100		Sundries (activity related)			25
				<b>Charges</b>			
				HSBC		181	
				Merchant Acquirer		8	
<b>TOTAL</b>		62,493	11,104	<b>TOTAL</b>		61,711	22,129
Excess of receipts over payments		782	-11,025				

# Aughton & Ormskirk U3A

Period: 1st April 2021 - 31st March 2022

## Summary of Cash Movements

### MAIN (ADMINISTRATION ) ACCOUNTS

Account	Opening bal. 01/04/21	Receipts	Payments	Transfers (inter account)	Balance 31/03/22
Main	22,678	16,201	-18,271	-29	20,579
PayPal	73	11,895	-281	-9,971	1,716
UTB Bond	25,000	132		10,000	35,132
<b>TOTAL</b>	<b>47,751</b>	<b>28,228</b>	<b>-18,552</b>	<b>0</b>	<b>57,427</b>

### GROUPS (ACTIVITIES) ACCOUNT

Account	Opening bal. 01/04/21	Receipts	Payments	Transfers (inter account)	Balance 31/03/22
Groups	6,093	62,493	-61,711	0	6,875
<b>TOTAL</b>	<b>6,093</b>	<b>62,493</b>	<b>-61,711</b>	<b>0</b>	<b>6,875</b>

### ALL ACCOUNTS

	Opening bal. 01/04/21	Receipts	Payments	Transfers (inter account)	Balance 31/03/22
<b>TOTAL</b>	<b>53,844</b>	<b>90,721</b>	<b>-80,263</b>	<b>0</b>	<b>64,302</b>



# Aughton & Ormskirk U3A

## Statement of Assets and Liabilities at 31st March 2022

	£	£
<b><u>ASSETS</u></b>		
<b>CASH AT BANK</b>		
Main account	20,579	
Groups Account	6,854	
PayPal account	1,716	
UTB 1- year bond	35,132	64,281
<b>CASH IN HAND</b>		
Subscriptions (cheques)	15	
Subscriptions (cash)	0	
Other Main a/c (cheques)	0	
Other Main a/c (cash)	0	
Groups a/c (cheques)	0	
Groups a/c (cash)	21	36
<b>DEBTORS</b>		
Rental prepayment (S&G HQ)	3,600	
HMRC (Gift Aid)	2,936	6,536
<b>TOTAL ASSETS</b>		70,853
<b><u>LIABILITIES</u></b>		
<b>CREDITORS</b>		
Invoices received after 31st March	618	
Unpresented cheques	0	
Pre-paid contributions toward tutor costs	2,206	
Independent Examiners' fees	1,050	
Third Age Trust membership subscriptions	6,056	9,930
<b>TOTAL LIABILITIES</b>		9,930
<b>NET ASSETS</b>		60,923

Approved by the following on ...../...../2022

.....Sue Watkinson (Trustee)

.....Derrick Fewings (Treasurer)

.....Megan Tomlinson (Secretary)