

GRASSROOTS SPORTS FUNDING

GUARANTEED FUNDING FOR CASCS AND CHARITIES



Grassroots Sports Funding Webinar –

Presenter - Neil Wood

19/03/2024



AGENDA

- Introduction
- Gift Aid What is it?
- Gift Aid Funding via volunteer expenses
- Example
- Additional benefits
- Procedures
- Personal Tax implications (Or not!)
- Mythbuster
- Q&A Session.





Gift Aid - What is it?



Gift Aid is a UK government scheme that allows charities, Community Amateur Sports Clubs (CASCs), and eligible organisations to claim an extra 25p for every £1 donated by a UK taxpayer—at no additional cost to the donor.

This provides a valuable source of income, helping organisations maximise the impact of their fundraising efforts.

To qualify for Gift Aid, donors must have paid an amount of UK Income Tax or Capital Gains Tax at least equal to the amount the charity will claim on their donation.

Organisations must also ensure they have a valid Gift Aid declaration from the donor, confirming their taxpayer status. By leveraging Gift Aid effectively, charities and CASCs can significantly boost their revenue and enhance financial sustainability.



- •Individual Donations One-off or regular donations made by UK taxpayers to a registered charity or CASC.
- •Membership Fees Subscriptions paid to charities or CASCs, provided the membership offers no significant benefits in return.
- •Sponsorship Money Donations collected through fundraising events where the donor is a UK taxpayer.
- •Donated Goods Sold in Charity Shops If a donor agrees to Gift Aid the proceeds when their donated items are sold.
- •Volunteer Expense Donations When volunteers choose to donate their reimbursed expenses back to the charity or CASC.





Gift Aid – Funding via volunteer expenses

- Your volunteers give up an amazing amount of time and effort helping your club
- In addition to their time, often what they do is at their own expense
- Volunteers often undertake their role in sports clubs because their children play for the club, a history of playing there etc...
- No volunteer expects financial reward or reimbursement for their expenses
- As a Charity (CASC) however, you have the ability to reimburse these out of pocket expenses
- The volunteer can donate these back to the club

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Funding via volunteer expenses continued...

- Volunteers can claim out of pockets expenses such as mileage.
- This is at HMRC agreed rates of 45p a mile (5p per additional passenger)



Example Case

- Joanne is an U14 football coach at her local club which is a registered Charity. She is an unpaid volunteer.
- During September, Joanne takes training twice a week and either a home or away games each weekend.
- These away trips total 200 miles which she has itemised on a mileage claim form
- Joanne then sends this claim form to the club for reimbursement of £100 out of pocket expenses (200 miles x 50p)
- This is approved and Joanne is paid £100.00 by the club.
 She chooses to donate that back immediately.
- The club receive the money back and claim a further £22.50 in Gift Aid via HMRC. 25% extra
- Imagine now 50 coaches/volunteers all doing this.... Or 100....







Expenses paid to volunteers

If the expenses are reasonable, you can reimburse a volunteer for costs they have had to pay because of their work, eg, train fares.

Once you pay a volunteer, they can keep the money or pay part or all of it back to the charity as a Gift Aid payment. Gift Aid only applies when the volunteer makes an actual payment of money to your charity or CASC. You cannot claim Gift Aid if a volunteer decides not to claim for expenses that they're entitled to.





Additional benefits....

- This also works with ADULT PLAYERS who represent the club.
- This is for for AWAY GAMES only.
- As such, Under CASC rules, training, meetings and home games CAN NOT be claimed for.
- However, this can prove extremely beneficial with clubs who have numerous adult teams. Especially clubs with large squads – RUFC.





Additional benefits cont....

- You CAN backdate this process on the proviso ANY claim is correct and you can document and evidence where you have travelled to. The legislation for Expense claims falls under PAYE.
- This can generate really important funding for clubs but it is vital this is done right.
- Most clubs are aware of age group training nights and all fixtures are generally recorded. Ensure all trips are logged correctly.
- It is VITAL that you only claim for journeys you know you made. As such, ensuring the claim is correct is on the committee to do so and authorise accordingly. The club owns the expenses policy.





Procedures & What you need

- It is vital that clubs get this right. Whilst it is a fantastic way of earning large amounts of funding for clubs, getting it wrong can cost you your status as a CASC/Charity.
- Don't let that scare you. That's where I come in and can help clubs with this from the outset ensuring they remain compliant.
- You need to have in place things like an expenses policy for the club, lists of volunteers and their roles, gift aid declarations signed from individual volunteers/players
- It is VITAL to remember that the donation of these funds back to a charity are by CHOICE. Whilst you can highlight to players and volunteers the benefits of doing so... you CAN NOT offer them any benefits. It has to be a pure donation.







Personal Tax Implications (Or not)

 Quite simply, no. You need to be an adult and and have paid income tax on your earnings which are greater than the amount that the club can claim on your donation.

 E.g. You donate £100. The club claim £25.00 in additional funding. You must have paid £25.00 in tax in the same tax year.

HIGHER RATE TAXPAYERS

 For those who pay tax at the higher rate (Earnings over £50,270) then they can BENEFIT individually from this.

• Any donation they make can increase their tax bracket.

Eg – If they donate £100 a month for 12 months. They can self-assess and increase their tax bracket by £1200 (£51,470) saving them 20% on their tax bill between amounts. In this example, that would be £240.00 saving.

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Mythbuster

- Is this legitimate/legal?
- Is this a loophole?
- How much of my time/Volunteer's time will this take?
- Is there any reason I /my club shouldn't do this?





- I am always happy to answer any queries for club officials, fundraisers and volunteers on this and they can contact me through my website www.grassrootssportsfunding.co.uk
- Or on 07879551102
- Email grassrootssportsfunding@gmail.com