Art of Living Education UK LTD.

Financial Policies and Procedures.

APRIL 2021
INTRODUCTION.

Art of Living Education UK is a profit for purpose limited company. All funds received are used for activities that contribute to the work of the organisation. There are no shareholders, and no individuals receive any dividends.

AOL UK does not use any government or charity grants to run the organisation in the UK. Funds are used for expenses such as, and including social media advertising, insurance, accountants, VAT and Corporation Tax. Directors of the company are volunteers, and teachers work on a voluntary basis as does everyone else in the UK. The only exception of just 2 Part Time Teachers who invoice us as ‘Independent Consultants’.

As indicated in the organisational chart within this financial policy document, AOL UK is owned 100 percent by Shankara Universal GmbH. A percentage of the income goes to pay for some of the European expenses and the remaining funds go to International Art of Living Foundation (which owns Shankara Universal GmbH 100%). Other funds are used to support the world-wide mission work of the organisation which is to 'create a stress free and violence free world'.

The purpose of this document is:

• To set out the organisation’s overall financial policy and procedures.
• The policy sets out the roles and responsibilities of Directors, Paid Teachers, Volunteer Teachers and Volunteers.
• The policy is also relevant for key stakeholders who have an interest in the work of the organisation in the UK and internationally.

Therefore, the policy is to inform our Teachers and Volunteers about our financial policies, systems and procedures, as well as relevant partners and key stakeholders. These policies and procedures comply with the requirements of Shankara Universal GmbH (Shankara) and International Art of Living Foundation (IAOLF)

The policy and procedures contribute to develop and sustain a well-run, transparent and profitable organisation of which we can all be proud.
Whilst we are not a publicly funded body, we are an organisation that aspires to create change through our courses and we are profit for purpose.

The Nolan Principles are closely aligned to the vision and teaching of our Founder Sri Sri Ravi Shankar and therefore our financial procedures are underpinned by the Nolan Principles as set out below:

1. Selflessness

All aspects of financial transactions will be underpinned by the principle of selflessness.

2. Integrity

All financial conduct in respect of Art of Living UK Education Ltd will be underpinned by integrity as set out in the mission of the organisation and its founder.

3. Objectivity

All transactions carried out on behalf of Art of Living UK Education Ltd will be objective and devoid of any personal gain. The objectivity will be based on financing and funding the courses, plans and projects as set out in collaboration with Shankara and IAOLF and in line with the ambitions of the founder Sri Sir Ravi Shankar.

4. Accountability

All financial processes, procedures and transactions will be accounted for in line with the systems set out by the Directors and accountants. Any deviation from this will be agreed within the Director Board meetings and recorded or in minutes for scrutiny if required.

5. Openness

The company’s financial transactions should be open and transparent. On occasions when the Board of Directors deems information to be kept confidential this will be recorded in an appropriate and relevant manner, and in keeping with UK accounting regulations as set by HMRC and Companies House etc.

6. Honesty

All financial transactions require honestly and transparency in line with the organisation’s values and principles. Where transactions have been found not to meet these criteria the Board of Directors and the accountants will set out a process to address this and report to the relevant authorities in a proportionate manner.

7. Leadership

All those who represent the Art of Living Education UK in financial transactions must show leadership as set out in the vision by Sri Sri Ravi Shankar. Where the leadership is found to be less than the standard expected, the Board of Directors will address as in six above. The Board of Directors may confer with Europe or in exceptional cases with the founder Sri Sri Ravi Shankar.
ORGANISATIONAL STRUCTURE

INTERNATIONAL ORGANISATION – DIRECTORS, REGISTERED OFFICE
The Art of Living Education UK Board members have responsibility for both day to day financial transactions and for ensuring that the company is complaint with U.K company law and procedures.

The Board is also responsible for complying with requirements for reporting, regulation and accountability with HMRC. The financial year for the company is December 31st. The Directors, working with Shambhav Management Limited (Shambhav) will oversee, agree and submit accounts in time and to quality. The End of Year Accounts, Annual Return and quarterly VAT returns are submitted on our behalf, after approval, by Sambhav Management.

In executing their responsibilities as Directors overseeing the financial management of the organisation, the Directors will follow the procedures and spending priorities as set out within the principles of Art of Living. The Board will convey the policies of Shankara to teachers, volunteers and users, where appropriate so that the whole organisational financial priorities are in line with those set out by Shankara. Currently, the UK Board of Directors reports monthly to Shankar Universal GmbH by the latest on the 10th of the following month.

**INCOME**

All income is derived from Courses and Events as agreed within the principles of Art of Living Education UK.

All course Fees are set by Shankara Universal GmbH. The Art of Living Education UK Board of Directors does not set the course fee or the fee structure. It is UK policy that all course fees are paid on line via debit or credit card. Exceptions can be made by bank transfer but this requires prior board approval.

All income from charitable donations or fundraising must be directed to either IAHV UK or Art of Living Foundation U.K. AOLF U.K is a registered Charity (number 1131 480).

**EXPENDITURE**

All expenditure should be in line with the allocations for each course. All those involved in setting up a course must comply with the parameters of spending.

**KNOWLEDGE FEES**

Art of Living Education UK is legally bound by a 3rd Party Tier Agreement to pay Shankara Universal GmbH a percentage of the course income for the rights to use the Intellectual Property Rights which are the course content. The percentages vary according to the course type and details of these are available to Teachers in the ‘Fee Chart’ which is on the Teachers Drop Box.

Internally this percentage is referred to as ‘The Knowledge Fee’ and it is paid by Monthly License Fee invoices and Consultancy Invoices from Shankara Universal GmbH and end of Year Dividends to Shankara Universal GmbH.

A monthly report is supplied from Art of Living Education UK Ltd to Shankara and is submitted by the 10th of the following month and for this reason Teachers are required to submit course reports before this date so the report can be sent on time.
EVENTS

However, in promoting the work of the organisation and providing opportunities as widely as possible for engagement in Art of Living Education UK activities, the UK Board has full discretion on charges for all Events. These procedures provide for Teachers and Volunteers to set event fees provided that the total expenses claimed do not exceed income net of VAT.

COURSE FEES

The course fees are agreed and set European level and the AOLE UK will comply with the fees as set out in Europe.
It is the responsibility of the Teacher to ensure that the Course Accounting Form, (CAF) is properly completed on time on the database (‘Harmony’), even if some of the administration has been delegated to a Volunteer/s or Course Organiser/s.

TEACHERS

Teachers are the key to the work of Art of Living Education U.K. Teachers are volunteers with the expectation of a few paid teachers are volunteers. The expectation in standards of conduct and behaviours are the same for all those who carry out work under the umbrella of Art of Living Education UK.

Teachers provide the organisation with the means to promote the vision of the organisation’s founder Sri Sri Ravi Shankar. Therefore, teachers are the most significant ambassadors for the work of the organisation in the UK. In terms of financial management, the expectation is that all teachers conduct their financial transactions in line with the principles set out in this document and under Nolan Principles.

Sri Sri Ravi Shankar appoints those teachers who can concentrate on full time Teaching and promotion activities for Art of Living Education UK. Paid Teachers are appointed as independent consultants and therefore they are liable for their tax and returns to HMRC. At the start of each financial year, paid teachers sign an independent consultancy agreement. There are no paid employees in Art of Living Education Uk Ltd.

In order for Art of Living Education UK Limited to meet it’s legal, organisational and insurance requirements, all Volunteer Teachers are required to sign a UK Teachers’ Agreement. In addition, they will also sign and comply with the European Teachers Agreement which is signed at the end of Teaching Training. The FEE CHART includes the details of all expenses and the parameters of the expense allowance. Teachers are the organisation’s very valued colleagues; the Board of Directors should comply with these parameters. The Board of Directors will not refund expenses outside of this set criteria. All Teachers should familiarise themselves with the most updated FEE CHART before incurring any course expenses.

Volunteers who aren’t Teachers may claim expenses, with receipts, provided receipts are submitted. During busy times and when there are large events, it is important that all Non-Teacher Volunteers agree their expenses and gain approval before personal spend. The Board of Directors is keen to support non - Teacher Volunteers and it is incumbent on Teachers and Regional Representatives to support volunteers to understand the financial procedures and not find themselves out of pocket for their valuable contribution to the work of the organisation.
In addition, Teachers are required to sign a GDPR Agreement.

Teachers who are paid are only appointed (and removed) by Gurudev Sri Sri Ravi Shankar and traditionally have been referred to as “Full Time Teachers”, even if they do not work full time for Art of Living Education UK Ltd. Paid Teachers provide their services to the organization as Independent Consultants and sign a legally binding annual agreement to this effect.

EXPENSE CLAIMS
Expense claims are added to the Course Accounting Form (CAF) in Harmony for course expenses.

Procedure:-
- No refunds will be made unless a scanned receipt or invoice has been uploaded onto the CAF.
- These are approved by one of the following: Karen Hill, Bedros Hacheryan (Sambhav Management) and Migle Turauskaite (paid UK AOL Teacher).
- Refunds to Teachers and Volunteers are made as soon as possible by Bank Transfer when the CAF has been approved by the above team.
- Any purchases over £100 must be approved by the UK Board before being made.

REFUNDS AND TRANSFERS FOR PARTICIPANTS
Participants can be transferred for one course to another course of the same type and fee, there is no additional charge for this. Transfers must be requested through Harmony and are approved by Karen Hill and Migle Turauskaite, (or one of the other Directors of Art of Living Education UK Ltd).

If a participant does not complete the course, they must be marked as ‘Drop Out’ on the CAF. Participants who have dropped out are not automatically eligible for a refund, but if one is requested each case will be considered on a one-by-one basis.

Participants who are unable to attend the course they have registered on course must be marked as ‘Cancelled’ on the CAF and will be refunded either back onto the credit or debit card or by bank transfer.

DISCOUNTS
AOLE UK Ltd follows the guidelines from Shankara regarding discounts available for course participants. Full details of these are included in the FEE CHART.
Should a Teacher agree any discounts that fall outside these guidelines and which do not have prior authorisation from the UK Board AOLE UK Ltd will **not** honour the discounted price and the Teacher will be required to personally pay the difference to bring the money paid up to the correct amount.

**COURSE FEES**
A chart showing all the course fees, discounts and expenses allowed etc. is available for Teachers on the Teachers Drop Box.

**INSURANCE**
AOLE UK Ltd has public liability in place through DSC Insurance Services Limited T/A Wellbeinginsurance.co.uk

Provided Teachers conduct courses as trained to do so and in accordance with the Course Manuals and do not introduce other techniques or information, they are fully covered by this insurance.

However, because it is possible that someone chooses to peruse a claim against an individual Teacher personally, for this reason it is recommended that Teachers have insurance in their own names as well and we recommend DSC Insurance Ltd T/A Wellbeing Insurance with whom we have negotiated a specially reduced annual rate for Art of Living Teachers.

[https://wellbeinginsurance.co.uk/instructors-therapists-quote/](https://wellbeinginsurance.co.uk/instructors-therapists-quote/)

DSC-Strand Ltd t/as Wellbeing Insurance
Swithins, Tilford Road, FARNHAM GU9 8HU
Telephone: 01252 735806
Email: nww@wellbeinginsurance.co.uk

Teachers should pay for their personal insurance and claim the allowed Teachers’ 10% expenses against courses they Teach and use that money to pay for their insurance.

**BANKING**
The signatures to the Bank are Karen Hill and Niravta Mathur and Mahendra Bagrecha (of Shambhav Management). On a day-to-day basis, Karen Hill processes all banking activity and liaises with Sambhav Management, on behalf of the Board of Directors and in line with the financial policy and procedures of The Art of Living Education UK. Details of The book keeping and accountancy work is carried out by an independent accountant.

**Bank**
State Bank of India
Art of Living Education UK Ltd.
Account Number: 96259354
Sort Code: 60 94 76 IBAN: GB52SBOI60947696259354
SWIFT / BIC : SBOIGB2LMAN

Accountants
Sambhav Management Limited
90 Eastleigh Road,
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Cheadle
SK8 3EJ