

CAVES u3a FINANCIAL PROCEDURES

Due to the closure of most bank branches and the increasing use of bank to bank BACS payments we are looking to update our procedures. At the same time we are aiming to clarify and simplify matters for our group leaders and for our treasurer. We are aiming in particular to minimise the handling of cash.

A Receipts and payments

We accept cheques made payable to Caves u3a and BACS transfers to our Caves u3a Co-op bank account 08-92-99 account 6724 8533. Small amounts of cash, not exceeding £100, may be collected and paid out at group meetings. Larger payments must only be made by the treasurer. We make payments by BACS which is the most secure and traceable method, for both the member and for Caves u3a. All payments made by this method must be authorised by a 2nd bank signatory. When paying in by BACS the reference box must be used so that the treasurer can readily identify what the deposit relates to e.g. Tea party. Membership, Interest Groups or arranged Outings. Notification by email is requested to treasurer.cavesu3a@gmail.com for all amounts deposited.

B The Role of the Treasurer re Group funds

In order that our accounts comply with Charities Commission rules it is essential that the Treasurer receives the account sheets showing brought forward amounts, number attending, gross amounts received and expenses paid out as well as the money being given to the Treasurer and the amount carried forward. These sheets should be given to the Treasurer once a quarter. Petty cash receipts and payments may be handled by the group leader or deputy up to a maximum of £100 per group meeting, outing or event. Larger payments must be either approved or made by the treasurer at the emailed request of the group leader. Surplus petty cash should be deposited regularly in the u3a bank account. The cash may be given to the Treasurer or the group leader may opt to send the surplus funds by bank transfer from their personal account. If the latter option is chosen the treasurer should be sent emailed notification to treasurer.cavesu3a@gmail.com. Although all group money is the property of the u3a and not that of the group's individual members such deposits will be ring fenced in order that the group leader can call on them to fund future group activities or to purchase small items of equipment. The balance for any group can be requested at any time from the Treasurer.

C Monthly meetings

Entrance money is collected in cash. The cash must be given to the Treasurer, or to a nominated trustee who will send the Treasurer confirmation of receipt by e-mail. Where guest speakers are paid in cash a receipt must be obtained and passed to the treasurer. The charge for the General Meeting is invoiced to the Treasurer and paid by BACS.

D Interest groups

It is the responsibility of the Group Leader to ensure that all attendees are members of the u3a. The only exception being if they are intending to join if they enjoy the group. They can attend for up to three meetings of which a record should be kept.

Established groups' activities should be funded entirely by the group's own members. The u3a was established as a co-operative movement where members are encouraged to learn from each other. This is still the u3a movement's guiding principle. If non-u3a tutors are used the group members must share all fees and other costs amongst themselves equally. No subsidies are available.

If meetings are held in private homes no fixed meeting charge need be made. The group members should jointly decide how much to contribute to their host's expenses. There is no need to record these amounts as they are personal contributions to the host by those attending, not payments to the u3a.

If members want to meet in hired rooms each group member should pay a share of the cost of the room or facility hired. Sufficient money should be collected at each meeting to pay the hire charge and all other meeting costs. A record must be kept by the group leader of all money collected and all payments made in cash. If a group member pays personally for the use of a group facility the money can be claimed back from the treasurer if a receipt has been obtained. An Expense Claim form must be completed and authorised by the group leader. The claim may be handed

to the treasurer in person or e-mailed, attaching a scan or photo of the receipt for the money. The treasurer will use BACS transfer to promptly reimburse the member from the group's banked funds. If the hire of the Hall is to be invoiced to the Treasurer then the dates of the hire must be confirmed by the Treasurer with the Group Leaders before passing it to the nominated person for authorisation.

E Group activity subsidies

Where group numbers have dwindled significantly but the group leader believes that numbers may soon recover they may ask the committee for short term financial help such as payment of three months' room hire. For newly formed groups to become established a subsidy of up to £100 is available in their first year of operation.

If an item of equipment is wanted, by an established group, whose cost exceeds the group's available funds the group should undertake fund raising amongst its members. Matched funding, from the u3a's general funds, may sometimes be available.

See notes.

F Group Events and u3a Outings

These may be organised by the group leader who must seek the approval of the Committee in advance. Only fully paid up u3a members may participate in outings. The exception to this is for the non member to apply for a temporary membership by completing a form and paying £5 to the u3a. This money will be allocated to the Interest Group funds. This may be done three times in any financial year. This will ensure that we are meeting the guidelines of our Insurers. See attachment for the form. These forms should be kept by the Group Leader until the end of the Financial year and then passed to the Treasurer who will then give them to the Secretary.

Payment by participants should, preferably, be made by bank transfer or by cheque payable to Caves u3a. Cheques should be collected by the group leader and passed to the Treasurer for banking no later than one week before the event date to allow for clearance. If cash is collected arrangements should be made with the Treasurer for this to be handed over and banked. Invoices for transport, entry fees etc. should be checked carefully and passed for payment by the group's organiser and then forwarded to the treasurer for payment by BACS.

If transport is by shared private cars we ask that passengers volunteer to contribute to the driver's costs (see Notes below). For coach trips members of other u3as may be invited to join if space is available. Our own members must take precedence.

If members' individual payments are made in person at the venue these should not be recorded as u3a income, nor should their contribution to a car driver's expenses.

G Purchase of goods, equipment and services

To obtain the best price it is increasingly necessary to buy online when the only form of payment accepted is from a verified personal bank account. Then the proposed purchase should be approved in advance with the group leader or the committee. A receipt must be obtained and presented to the treasurer, accompanied by a completed and authorised Expenses claim form. These documents may be e-mailed. The money due will then be transferred to the claimant's bank account promptly.

The Treasurer holds a debit card and with prior permission of the Committee this may be used to make purchases.

H Further considerations

The Charity Commission requires us to report to them our gross income and our gross expenditure separately. Receipts and payments must not be netted off against each other. To achieve this we need all groups who collect money from their members to report this information to us in order for us to comply with Charity Commission regulations. Our financial year ends on 31st March. We need to receive groups' income and expenses reports by the last working day in March in order to prepare our annual accounts. Help is available from the Treasurer on request.

Please note that our Independent Examiner may refuse to approve our accounts if invoices or receipts cannot be produced to support items of expenditure.

I Notes

This document should be read in conjunction with Caves u3a Financial Policy whose contents take precedence in the case of conflict. Our insurers have supplied written answers to the most frequently asked questions. These may be viewed on the Trust's website under "Support for u3as" or mailed on request to those members who don't use the internet.

If equipment is required that will benefit Caves u3a as a whole then a request should be made to the Committee who will then be able to decide on the purchase.

Private car insurance may be invalidated if the combined contributions by passengers exceeds the cost of the driver's expenses.

Many of these procedures are governed by the necessity to comply with the requirements of our insurers. Group leaders should familiarise themselves with the FAQ's insurance advice publication which is available on our website.

For anyone who doesn't use e-mail our current Treasurer, Eileen Fearon can be contacted on 01482 668 662.

This guidance will be reviewed in 12 months time.

Dated 3rd June 2023