



Eastleigh District u3a

Financial Policy

1. Introduction

1.1. Purpose

1.1 The purpose of this Financial Policy is to document how the Trustees of Eastleigh District u3a protect and manage the financial activities of the Charity. This policy aims to:

- 1.1.1** Ensure the protection of the u3a Members' income and assets.
- 1.1.2** Identify and manage the risk of loss, waste, theft or fraud by the use of robust procedures.
- 1.1.3** Ensure that financial reporting is accurate and complies with the financial law relating to charities and guidance issued by The Third Age Trust.
- 1.1.4** Provide the relevant authority for the financial management of the various activities undertaken throughout the year by Eastleigh District u3a.

2. Trustees' financial responsibilities

The trustees of Eastleigh District u3a are responsible for:

- Safeguarding the assets of the charity.
- Identifying and managing the risk of loss, waste, theft or fraud.
- Ensuring the financial reporting is robust and of sufficient quality.
- Keeping financial records in accordance with the governing document and relevant legislation (e.g., Charities Acts, Companies Acts etc).
- Preparing Annual Accounts in accordance with the governing document and relevant legislation.
- The accounts should show a true and fair view of the state of affairs of the u3a.
- Trustees are jointly responsible for keeping full financial records. These include those of the U3A and all the interest groups, sub-groups etc., where appropriate.
- To enable the trustees to carry out these responsibilities, the financial procedures detailed below will be followed.
- The Treasurer will keep records of income and expenditure, cash books, invoices, receipts and gift aid payments for 6 years in accordance with the law.

- The Treasurer will provide half yearly interim accounts for the Trustees and will prepare independently audited accounts and a financial report to be presented to the Trustees prior to presentation to the Members of Eastleigh District u3a at the Annual General Meeting.

A copy of this policy will be given to all trustees on their election/appointment to the committee and made available to members on the website.

The policy will be kept under review and revised, as necessary.

3. Banking

3.1. Bank accounts

- All bank accounts are in the name of Eastleigh District u3a and operated by the trustees.
- New accounts may only be opened by a decision of the trustees, which must be minuted.
- Changes to the bank mandate may only be made by a decision of the trustees, which must be minuted.
- The authorised signatories are the Treasurer and 3 other Trustees. This responsibility cannot be delegated.
- All cheques must be signed by two signatories.
- The signatories are responsible for examining the cheque for accuracy and completeness.
- All bank statements must be sent to the Treasurer directly.
- Blank cheques will never be issued.
- Blank cheques will never be signed by one signatory for a second to complete later.

3.2. Online banking

Where online operation of the bank accounts is in place only trustees approved by the committee will have access to this facility. The security of the online system is in line with the arrangements offered by Lloyds Bank and in accordance with the mandated approval limits. Operation of the online banking service is under the control of the Treasurer who has full access rights and is responsible for assigning the appropriate delegate rights, as agreed by the committee and in accordance with the bank mandate. All payments are authorised in accordance with the bank mandate. Access to the online accounts will be via a personal password, card reader and personal access card.

3.3. Personal debit or credit cards

The use of personal debit or credit cards for interest group activities needs to be closely managed. Permission must be sought from the committee where a group feels that there is no other viable way to make payments.

Prior approval must be given by the committee for equipment and other items to be purchased for the use of Eastleigh District u3a or specific interest groups. In these circumstances, it may be appropriate for a member to purchase the equipment themselves and then claim the cost as a personal expense claim.

All invoices must be issued in the name of Eastleigh District u3a.

4. Groups' finances

Interest groups are expected to be self-financing and can collect such sums of money as the group members and leadership deem to be necessary to undertake their activities. The funds

of these groups belong to the u3a. Groups are permitted to make any expenditure deemed necessary by the group members and the group leadership and can withdraw money on request from the ringfenced funds held by the u3a on their behalf, as appropriate. The Treasurer, Group Co-ordinator and Group Leader(s) need to agree what records they need to keep of the group's transactions in order to:

- Allow the Treasurer to keep accurate accounts for presentation to the AGM, for discussion with the trustees and to meet regulatory requirements.
- Allow the group members to understand how their monies are being managed.
- Maintain transparency and trust for all concerned.
- Minimise the risk of error and potential loss of funds.
- Allow group leaders to maintain cash floats.

4.1. Receipts

To manage the handover of cash and cheques to be paid into the Eastleigh District u3a bank account the committee has decided that:

- Bank paying in slips will not be given to group leaders for this purpose.
- Group leaders may pay sums due by issuing their own cheque or paying online through their own bank account.
- Where applicable receipts will need to be given to group leaders or acknowledged by email.
- Where net sums are being paid over this needs to be recorded in the Group Leader's Cash Book and fully demonstrated to the Treasurer.
- Cash held back for cash flow purposes will be within the u3a's approved limits (they may vary by activity).

4.2. Payments

The committee will inform relevant group leaders as to the approved process for payments relating to:

- When a trip is organised by and paid through the u3a or paid directly by the members to the trip organiser.
- When payments may be deducted from activity revenue:
 - Venues
 - Coaches
 - Tutors
 - Speakers
 - Other
- When payment for venues, coaches, tutors, speakers etc must be paid by the U3A. Outside speakers should be asked to state their fees and any travel costs at the time of booking and a cheque obtained from the Treasurer.

Where the committee has agreed the use of a paid tutor, the tutor must provide evidence of their self-employed status and invoice the u3a as agreed.

The committee (via the Treasurer) will monitor the income and expenditure of the groups. Group leaders need to provide regular information, as agreed, to the Treasurer. Where groups do not comply then the committee will review as to whether the group is legitimately operating in line with the insurance and financial requirements.

4.3. Social activities

Events such as theatre trips, visits or educational days out must be charged at cost and all participants pay appropriately. The costs paid by members must cover out-of-pocket expenses.

The organiser of an event must not benefit from any discount (e.g., a free place) offered by the organisation providing the event. The value of free places must be shared out among all participants to the event.

Out-of-pocket expenses can be paid to an organiser out of the money collected for the event. As all u3a members offer their services free to the movement, the organiser(s) must not get any pecuniary reward for organising an event.

4.4. Payments to other charities

In line with charity law, a u3a cannot raise funds for another charity that does not have similar charitable objectives. Eastleigh District u3a will make payments to speakers who have indicated that they intend to donate their fee to a specific charity but not direct to their nominated charity.

5. Expense's policy

Out of pocket expenses incurred by the volunteers who are involved with running the U3A will be reimbursed. Expense claims must be submitted with receipts. Expense claims will be authorised by the executive committee and no committee member should authorise their own claim. Expenses will include – with committee approval – attendance at the Trust's AGM and Conference or national/regional workshops.

All claims need to be made on the appropriate form (copies available from the Treasurer) giving sufficient detail as to the nature of the expense.

Expense claims should reflect the cheapest travel option available. Travel by car will be reimbursed at the current HMRC approved rate for the actual mileage travelled at [Advisory fuel rates - GOV.UK \(www.gov.uk\)](http://www.gov.uk). Car parking and congestion charges can be reclaimed (with receipts) but parking or other fines will not be allowed.

Overnight accommodation will only be allowed in exceptional circumstances and will need the prior agreement of the executive committee.

6. Membership Fees and membership of more than one U3A

The membership fee is reviewed on an annual basis. Eastleigh District u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members.

For Associate members who are full members of another u3a and have already paid the Trust subscription the membership fee paid to the EDu3a will be reduced by the amount of that subscription.

7. Asset register

An asset register is maintained by the Treasurer which records all assets held including their initial purchase price, date of purchase, estimated nominal value and location. The Asset Register is reviewed annually.

8. Reserves

Reserves are that part of a charity's unrestricted funds that is freely available to spend on any of the charity's purposes.

8.1 The Committee will ensure that the u3a has reserves based on 6 months running costs to ensure the continuity of Eastleigh District u3a in the event of a sudden drop of income.

8.2 Social account activities are excluded from this figure as these activities are inflated by high-cost activities such as theatre visits and days out and are entirely self-financing.

8.3 Any excess of income at 9.1 above will be used for the benefit of all members or for improving the efficiency of the management of Eastleigh District u3a.

Reserves may also be used:

To spend in emergencies

To pay for specific future projects for the benefit of all members

To bridge cash flow problems

To cover specific liabilities eg contractual commitments

9. Other Relevant Documents

Group Leaders' Guidance Notes

Expenses and Travel Claims Form & Guidance

This policy was agreed by Eastleigh District U3A Committee on 13th November 2023

Signed: Tony Lovell

EDu3a Chairman

Review - 2025