

## **PN 12. Policy on financing group activities**

1. The purpose of this note is to provide guidance to group organisers concerning their financial responsibilities as required by the Third Age Trust (TAT). The regulations of the TAT state that when meetings are held in a member's home, a nominal fee of 50p can be charged for refreshments. Any money collected and spent above this 'refreshment charge' is the property of the trust and as such, must be declared in the annual accounts of the local U3A (Exmouth and District U3A). Consequently the treasurer will require financial returns from some group organisers as specified below.

It is likely that most groups will not need to submit a return, although group organisers should be aware of the financial regulations.

These arrangements will commence on the 1st April 2019.

2. Financial returns are not required in the following situations:

- where meetings take place at members' homes and no more than 50p per person is collected from participants as a contribution towards the cost of refreshments.
- where members informally reimburse the organiser, or member responsible, for any minor expenditure directly relating to the group meeting. These costs may include, for example, photocopying, materials, ingredients etc. These costs must be shared equally among participants so that no surplus nor loss is generated.
- where members share car journeys, they can reimburse the driver up to a maximum of 45p per mile. This cost must be shared equally between all occupants of the car including the driver (NB drivers should ensure that their insurance policy allows these arrangements).
- where groups meet in public facilities with no charge for the room, such as the Manor Hotel, and members purchase their own refreshments. The organiser must have no involvement with collecting cash or making payments.
- where groups use specialist expertise (as defined in Policy Note 4) and the participants pay the specialist directly, for example the yoga, line dancing & tap dancing groups.

3. Financial returns are required for the following:

- where groups charge for items not covered by the exemptions in section 2 above.
- where the group wishes to enter into a formal agreement for the use of premises or for other services. The details concerning these arrangements are set out in the next section.

- where payments are made to speakers or another specialist expertise where the members do not pay the expert directly. These must be in accordance with PN4. No fees are to be paid to speakers who are U3A members or a charity but reasonable expenses can be reimbursed.

#### 4. Formal agreements

- Where any formal agreement is required for the operation of the group, the group organiser must first seek approval from the Treasurer and any agreement must be signed by the Treasurer, for example for the use of Albion Court. All payments must be made through the U3A's bank account by the Treasurer in accordance with the agreement.
- The group organiser will be responsible for collecting sufficient fees to cover the costs relating to the agreement. All fees collected must be promptly submitted to the Treasurer for banking and quarterly returns submitted as set out in 6 below.
- No surplus or loss can be made. While it is accepted that timing differences between income and expenditure can occur, they must balance within the financial year (1st April to 31st March).

5. Groups organising trips such as the Social Group, will need to make specific arrangements with the Treasurer regarding each event. As these events are likely to involve significant income and expenditure, they must be controlled through the U3A's bank account and consequently all monies taken must be lodged with the Treasurer who will be responsible for paying the suppliers.

6. Financial returns. These are required quarterly by the Sunday following the 30th June, 30th September, 31st December and 31st March. The return should be sent to the Treasurer by email incorporating the following information:

- name of group
- quarter end date
- total income in quarter
- total expenditure in quarter
- name of organiser

Signed:

Date: