

In this policy ...

- The term "the U3A" shall mean "Northwood & District U3A"
- The term "Trustee" shall mean all currently serving committee members.
- The term "Treasurer" shall include the Assistant Treasurer where appropriate.
- The term "interest group" shall apply to both study groups and social activities.

1 Trustees' Financial Responsibilities

The Trustees of the U3A are responsible for ...

- Safeguarding the assets of the charity.
- Identifying and managing the risk of loss, waste, theft or fraud.
- Ensuring that financial reporting is robust and of suitable quality.
- Keeping financial records in accordance with the governing document and relevant legislation (e.g. Charities Acts, Companies Acts).
- Preparing Annual Accounts in accordance with the governing document and relevant legislation.
- The accounts should show a true and fair view of the affairs of the U3A.

The Trustees are jointly responsible for keeping full financial records. These include those of the U3A and its interest groups where appropriate.

To enable the Trustees to carry out these responsibilities, the financial procedures detailed below will be followed.

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

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

2 Banking

2.1 Bank Accounts

- All bank accounts are in the name of the 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 those Trustees, from time to time, who are authorised by the committee. This responsibility cannot be delegated.
- All cheques must be authorised by two signatories.
- The signatories are responsible for examining cheques for accuracy and completeness.
- The signatories are responsible for examining the payment documentation (e.g. purchase invoice) prior to signing a cheque or authorising an internet transfer or card payment.
- All bank statements must be sent to the Treasurer directly.
- Blank cheques will never be issued.
- Cheques will never be signed by one signatory for a second to complete later.
- Whenever practical two people should be involved in counting cash receipts.

2.2 Online Banking

Operation of online banking services 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. Access to the online accounts varies from bank to bank and may be via a card reader and personal access card or by logging on to the bank system with a personal password and access code. The security of the online system will be in line with the arrangements offered by the bank(s).

Dependent on the bank, the use of an online service may override the dual control aspect of the payment authorisation process, but is permitted, where agreed in advance in recognition that online purchases for certain goods and services represents the most effective, and in some cases, the only method of completing the purchase. All transactions made online will appear on the appropriate bank account and are subject to review by the nominated officers through the online banking service. All such payments must be supported by an invoice or receipt made out to the U3A.

The committee will predetermine the spending limits, per transaction, for online payments. These spending limits will be reviewed at least once per year. The current limits are given in **Appendix 3**.

2.3 Payment By Bank Cards

The U3A will hold a number of business debit/credit cards as determined by the committee. These are held by the Treasurer and any Trustee from time to time authorised by the committee. The issue of any bank debit or credit card will be in the name of the U3A and will be approved by the committee.

The use of these cards overrides the dual control aspect of the payment authorisation process, but is permitted, where agreed in advance in recognition that online payment for certain goods and services represents the most effective, and in some cases, the only method of completing the purchase. All transactions made using these cards will appear on the appropriate bank account and are subject to review by the nominated officers through the online banking service. All such payments must be supported by an invoice or receipt made out to the U3A.

The committee will predetermine the spending limits per transaction for any card. These spending limits will be reviewed at least once per year. The current limits are given in **Appendix 3**.

2.4 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 (via the Treasurer) 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 the 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 the U3A.

3 Interest Groups' Finances (See also Appendices 1 & 2)

3.1 General

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, where applicable, can withdraw money on request from any ringfenced funds held by the U3A on their behalf, as appropriate. The Treasurer, Groups 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.

3.2 Receipts

To manage the handover of cash and cheques to be paid into the 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 fully demonstrated to the Treasurer.
- Cash held back for cash purposes will be within the U3A's approved limits and should not exceed £50.
- All cheques must be payable to the U3A and not to an individual member.

3.3 Payments

Outside speakers should be asked to state their fees and any travel costs at the time of booking and payment arranged with the Treasurer.

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.

3.4 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.

3.5 Payments To Other Charities

In line with charity law, a U3A cannot raise funds for another charity that does not have similar charitable objectives. The 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.

4 Expenses Policy

Out-of-pocket expenses incurred by the volunteers who are involved with running the U3A will be reimbursed. Expense claims, which must be submitted with receipts, will be authorised by the Treasurer according to limits set by the committee at least once a year. The current limits are given in **Appendix 3**.

Potential expense claims outside those limits have to be approved by the committee in advance. No committee member will authorise their own claim. Expenses will include – with prior 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 enough 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. 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 committee.

5 Membership Fees

The U3A membership fee is reviewed on an annual basis. The U3A is committed to keeping the membership subscription as low as possible to ensure that it remains accessible to all members.

6 Asset Register

An asset register is maintained by the Treasurer which records all assets held including their initial purchase price, date of purchase and location.

It should be noted that under a receipts and payments reporting system, all assets are fully written off against receipts in the year of purchase. The register is reviewed annually.

7 Reserves

The U3A aims to keep a level of reserves that will cover six to nine months of regular operating activity. This is considered by the committee a reasonable level for this type of charity. Social 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.

Appendix 1 - Accounting Procedure For Money Collected By Interest Groups

If a group meets in a private house, and only collects a standard 30p from members, then no records are required and the procedures listed below will not apply.

If a group uses a hall once or twice a month and has a fund only for the supply of refreshments, then no records are required and the procedures listed below will not apply.

Any group that uses the funds for any other purpose will need to keep an account which should be produced to the Treasurer on a regular three- or six-monthly basis, as required.

- The financial year end falls on the 30th June and accounts up to that date should be presented in early July.
- Items of minor expenditure such as books, cards etc. are the responsibility of groups and should be paid for either on an individual basis or collectively as determined by members within the group. Items of major expenditure such as equipment, speaker fees or rental must be paid through The U3A bank account.
- Any equipment purchased will remain the property of The U3A to be used as determined from time to time by the committee. Wherever possible priority over equipment should be given to any group that requested it be purchased.
- In accordance with national U3A practice any account with a residual balance that exceeds £50 will need to be operated through The U3A bank account. Any group that this applies to will need to contact the Treasurer so that a proper procedure can be put in place.
- As indicated above, all payments for rent must be made through the U3A bank account. Rent will be funded up to twice per month for any group that requires premises. The rent for any subsequent meeting(s) during the same month must be funded by members of that group with the appropriate amount being paid to the Treasurer.

Appendix 2 - Holidays At Home And Abroad

- The committee should be advised of any proposed holiday in advance.
- Whenever possible the dates of previously arranged U3A monthly meetings and holidays should be avoided when fixing the dates.
- All bookings must be made using the services of a reputable travel agent / tour operator
- Any discount, free place or other promotional reward may be used to defray any out of pocket expenses, but a full account must be provided to the committee. Any excess or, if there are no expenses, the full discount should be shared equally by participating group members.
- It will be a condition of travel that comprehensive travel insurance must be held.
- 'Holiday' is defined as any travel and period of absence, except in the case of a study group visit in which case it is any travel and period of absence exceeding one night.

Appendix 3 - Spending Limits

- The committee have authorised debit card holders to make payments on behalf of the U3A that are covered by already received funds and/or that are less than £100.
- The committee have authorised the Treasurer to approve, on their behalf, expense claims that are covered by already received funds and/or that are less than £100.
- The committee have authorised the Treasurer to make, on their behalf, online payments that are covered by already received funds and/or that are less than £100.