

U3as are charitable organisations, whether registered or not are subject to charity law.

The Charities Commission require that “**ALL** money is accountable and has to go through the Treasurer.”

HANDLING MONEY

CORE ACCOUNTS: These funds are used to pay for central capitation fees, insurance, Third Age Matters magazine, general meeting costs, expenses incurred for the organisation and running of our u3a and purchase of equipment associated with this. **No members of the u3a can charge for their services.** Core income is primarily from annual subscriptions.

The Trustees are responsible for proper accounting procedures. To ensure this we have a dedicated bank account and proper recording and control procedures are in place. The Treasurer should share current Annual Budget and a Bank reconciliation with the Committee a minimum of twice yearly (September and March). Accounts are regularly reviewed and formally examined on an annual basis by a person who is not a member of Olton and District u3a.

INTEREST GROUP ACCOUNTS: These funds are to pay for any costs incurred by the Interest Groups. A Group would normally be attended and financed by its members. Charges are levied to cover costs, including room hire. A Group's accounts should not show a loss.

Any Group income and expenditure should go through Olton and District u3a Treasurer, who will keep a clear record of these transactions.

Group expenditure should, whenever possible, be made by cheque or BACS and supported by official invoices or receipts.

It is essential to remember that Group self-sufficiency must not be interpreted as implying that funds belong to a Group: all funds belong to Olton and District u3a.

It is acceptable for members to pay for trips individually, especially big trips. **However, the Trip Organiser is responsible for ensuring there is written agreement between all concerned parties, including the provider, as to what will happen in the case of non payment.** Ideally, a potential place can be cancelled without any financial loss being incurred. If there is a payment liability, this must be between the provider and individual concerned. Olton and District u3a cannot be placed in a position of having to pay any charges to a provider as a result of non-payment by a member.

Theatre Groups can be “loose associations” where people buy individual tickets. Therefore, the transaction is between the theatre and individual members.

It is NOT acceptable for X to give Y money and then Y to write a cheque for both tickets. This should go through the u3a bank account.

If members pay a nominal amount, say 50p, to someone hosting a home meeting for refreshments this does **not** have to go through the u3a bank account.

With Group meetings, such as a meal out, it is acceptable for the people attending to be presented with a bill at the end of the meal and all contribute their payments for this before leaving. If there are any surplus monies collected and not used for a tip, this should be handed to the Treasurer who will bank this income for that particular Interest Group to use in the future.

It is not appropriate for a Group Event Organiser to retain cash from member payments to be used as a gratuity. For example, tipping a coach driver at the end of a day out. Potential gratuity income should be banked through the Treasurer and then a request form for the amount required is to be presented to the Treasurer at least one week in advance of the trip.

The Committee and the Trustees need to be satisfied that people responsible for handling Interest Group monies keep their own records of transactions. Any Interest Group handling monies should, if requested by the Treasurer, have an up-to-date ledger on Beacon **or** submit a cash flow by the end of September and the end of March each year.

Interest Group Facilitators are strongly advised to make use of the Ledger on Beacon as a record of their Income and Expenditure. This provides a safeguarding means of reconciling transactions on the Group Ledger and Treasurer Ledger. Interest Group Facilitators should ask the Treasurer for a copy of the Treasurer's record so that the two records can be kept in sync. This should be done twice a year or more frequently if there has been significant financial activity or if the Facilitator thinks a reconciliation is needed.

EDUCATIONAL ACTIVITIES: These are activities which have a learning element included and include: Local History, Bridge, Line Dancing

SOCIAL ACTIVITIES: These are activities considered to be outside our core educational objectives. It could be argued that most u3a activities have a strong educational element, but the following would be typical social events: Meals out, Strollers, Walking Group.

We are not allowed to use annual membership subscriptions for social/group activities and so must not move money from educational activities to social activities. Movement of money the other way is allowed.

PAID SPEAKERS AND TUTORS

If a group or u3a wishes to engage and pay a speaker or tutor, it is fine to do this on an occasional basis, provided a paper record is kept and any payments, which should normally be by cheque or BACS, are signed for by the person authorising the payment and the recipient. The payment can be for reasonable speaker fees OR a donation made payable to a charity chosen by the speaker. **Any speaker who is already a member of a U3A may NOT claim payment, though a reasonable contribution towards travel expenses could be agreed.**

Contact the Treasurer, in advance if you wish to employ a tutor on a regular basis. You must have written assurance from the person in question that they are registered with HMRC as self employed for tax and National Insurance purposes and you must get their National Insurance number or unique tax reference number and ensure that they have full public liability insurance.

Checks should be carried out on the HMRC website to conform a tutor as being considered self-employed and any reference number generated should be retained by the Treasurer.

EXPENSES CLAIMS

If any Committee member has to pay for expenses out of their own money, they can present a written claim reimbursement from the Core funds, **provided there are sufficient funds in the Core account and prior agreement has been obtained from the Treasurer**, and receipts should be attached wherever possible. This claim can then be submitted, in writing to the Treasurer for settlement. Example items would include refreshments, postage, other agreed costs incurred as a part of u3a business and payment for speakers.

END OF FINANCIAL YEAR PROCEDURES

The Treasurer will prepare accurate accounts for Olton and District u3a showing income and payments for the financial year ending 31st March. These will be examined by an independent person not on the Committee or related to a Committee member. The approved accounts will be made available to all members of Olton and District u3a in time for the AGM. An up-to-date inventory shall also be available for inspection.

INTERNAL FINANCIAL CONTROLS FOR CHARITIES

The Trustees shall review the Charity Commission self-assessment checklist at least once a year. Olton and District u3a will maintain a MIMIMUM of 3 months (core) turnover in reserves.