

Oundle & District U3A Finance Policy

1. Document control

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2. Introduction

2.1. Purpose

All charities are required to determine “Internal Controls” for running the charity, one of these being the Financial Controls, or Finance Policy. This Finance Policy documents our current unwritten procedures and is based on a template from the U3A National Office.

“Trustees” includes all committee members of Oundle & District U3A.

1. Trustees’ financial responsibilities

The Trustees of Oundle and District U3A (the Committee) are jointly responsible for:

- Safeguarding the assets of the charity.
- Identifying and managing the risk of loss, waste, theft or fraud.
- Ensuring financial reporting is clear and robust.
- Keeping financial records in accordance with the governing document and relevant charity legislation
- Preparing Annual Accounts in accordance with the governing document and relevant legislation.
- Ensuring that the accounts 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 its Interest Groups.

This Finance Policy aims to assist Trustees to carry out these responsibilities. 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.

The Oundle & District U3A will appoint a Treasurer to serve a maximum of three 3-year terms to manage the bank account and the day to day financial activities of the U3A. The Treasurer will present a financial report to Trustee meetings.

2. Banking

2.1. Bank account

- The bank account is in the name of Oundle & District U3A and is operated by the Treasurer.
- 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 Chairman, the Secretary and the Treasurer. 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.
- Bank statements will be sent to the Treasurer directly.
- Blank cheques will never be issued.

- Whenever practical an audit trail will be created for cash receipts.

2.2. Online banking

When online operation of the bank account is in place, only Trustees approved by the committee will have access to this facility. Any online system will be operated by the Treasurer and/or a deputy appointed by the committee in accordance with the mandated approval limits.

2.3. Payment by bank cards

Oundle & District U3A currently holds no business debit/credit cards.

The issue of any bank debit or credit card in the name of Oundle & District U3A will be approved by the committee. The use of these cards would override the dual control aspect of the payment authorisation process, and will only be permitted where agreed in advance for reasons of increased efficiency, or if online purchases for certain goods and services are the only method of completing the purchase. The committee will predetermine the spending limits for any card, whether per transaction, per day or per month.

2.4. Personal debit or credit cards

The use of personal debit or credit cards for purchases by Trustees on behalf of the U3A is permitted in exceptional circumstances.

Prior approval must be given by the Treasurer for equipment and other items to be purchased for the use of Oundle & District U3A or specific Interest Groups. In these circumstances, it may be appropriate for a member to purchase the equipment themselves and claim the cost as a personal expense claim.

Invoices must be issued in the name of Oundle & District U3A.

3. Interest Group finances

Interest Groups are expected to be self-financing and may collect such subscriptions as the group members determine necessary to undertake the Group's activities. However such funds form part of the Oundle & District U3A finances and must be reported to the Treasurer on an annual basis in accordance with the published Guidance for Groups. Group Leaders may hold no more than £100 as a cash float for their Group's activities. Records must be kept of Interest Group income and expenditure, and receipts obtained wherever possible for necessary expenditure. Any funds in excess of £100 must be held in the Oundle & District Bank Account; separate Interest Group bank accounts are not permitted. Interest Group Leaders may withdraw money on request from the ring-fenced funds held by the U3A on their behalf.

Group Leaders must ensure that members understand how their monies are being managed in order to maintain transparency and minimise the risk of error and potential loss of funds. The Treasurer must include Interest Group end-of-year balances in the Annual Statement of Accounts for presentation to the Annual General Meeting.

3.1. Receipts

The handover of cash and cheques to be paid into the Oundle & District U3A bank account from Interest Groups will be managed as follows:

- Bank paying in slips may be given to Group Leaders at the Treasurer's discretion.
- Group leaders may not pay sums due by issuing their own cheque or paying online through their personal bank account.
- Receipts will be given to Group Leaders, or acknowledged by email.
- Where net sums are being paid over this must be demonstrated to the Treasurer's satisfaction.

- Cash held back for cash flow purposes will not exceed the U3A's approved limit, currently £100.00

3.2. Payments

Outside speakers will be asked to state their fees and any travel costs at the time of booking and a cheque obtained from the Treasurer.

The committee will appoint an Outings Co-Ordinator who will determine the approved process for payments relating to trips organised by and paid through the U3A. Payments may be deducted from the event income for venues, coaches and guides

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.

3.3. Social activities

Events such as theatre trips, visits or educational days out must be charged at cost and all participants must 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 any 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 receive any pecuniary reward for organising an event.

3.4. Payments to other charities

In line with charity law, Oundle & District U3A will not raise funds for another charity that does not have similar charitable objectives. We will continue to purchase services from other charities as needed. We 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 run the U3A will be reimbursed. Expense claims must be submitted with receipts. Expense claims will be authorised by the Treasurer; any expenses claimed by the Treasurer will be authorised by the Chairman or Secretary. Expenses may include – with committee approval – attendance at the National AGM and Conference or national and regional workshops.

All claims must be made on the appropriate form (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. Car parking and congestion charges can be reclaimed (with receipts) but parking or other fines will not be allowed. Travel expenses are not normally paid for attending meetings held in Oundle.

Overnight accommodation will only be allowed with the prior agreement of the committee.

5. Membership Fees and membership of more than one U3A

The U3A nationally is committed to keeping the membership subscription as low as possible to ensure that the U3A remains accessible to all members. The membership fee is reviewed every 3 years or otherwise on the recommendation of the Treasurer.

For U3A members who can evidence membership of another U3A, Oundle & District U3A will reduce the cost of membership by the amount that is paid to the Trust for each member.

6. Asset register

An asset register is maintained by the Treasurer to record the initial purchase price of capital assets, the date of purchase, estimated nominal value and location.

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, at the end of the financial year.

7. Reserves

Oundle & District U3A aims to keep a level of reserves that will cover 3 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 because they are high-cost activities such as theatre visits and days out and are entirely self-financing.

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