

Washington Village u3a Finance Policy

Registered Charity: 1179094

1. Trustees' financial responsibilities

The trustees of Washington Village 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.
- Ensuring that the accounts are 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.

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.

2. Banking

2.1. Bank accounts

- There is only one bank account (Lloyds Treasurers Account), which is in the name of Washington Village u3a and operated by the Treasurer on behalf of 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 must be members of the committee (trustees). This responsibility cannot be delegated.
- All cheques must be signed by two signatories. Online payments require dual authorisation.
- The signatories are responsible for examining the cheque for accuracy and completeness.
- The signatories are responsible for examining the payment documentation (purchase invoice, etc.) prior to signing the cheque or authorising an internet transfer.
- 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.
- Whenever practical two people should be involved in counting cash receipts.

2.2. 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.

2.3. Payment by bank cards

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. The issue of any bank debit or credit card in the name of Washington Village u3a 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 purchases for certain goods and services represents the most effective, and in some cases, the only method of completing the purchase (e.g. theatre tickets or entrance fees). For spending greater than £100, pre-authorisation (by email) must be obtained from the Treasurer (or from another committee officer for spending by the Treasurer).

Washington Village u3a holds 4 business debit cards. These are held by the Treasurer, the Assistant Treasurer and the Group Leaders for Theatre/Cinema and Day Trips. All transactions made using these cards appear immediately on the WV u3a account (subject to the timescales for electronic banking transactions) and are subject to review by the Treasurer through the online banking service. All such payments must be supported by a receipt (and claim form where appropriate).

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 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 Washington Village 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 Washington Village u3a.

3. 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. The Treasurer, Group Co-ordinator and Group Leader(s) need to agree what records they need to keep of the groups 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.

Further details are provided in the 'Washington Village u3a Financial Guidance for Group Leaders' document, which is available on the Washington Village u3a website.

3.1. Receipts

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

- Paying in slips will be given to group leaders for this purpose.

- Group leaders may not pay sums due by issuing their own cheque or paying online through their own bank account unless agreed in advance with the committee.
- 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.

3.2. Payments

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

- When an event is organised by and paid through the u3a or paid directly by the members to the event organiser.
- When payments may be deducted from activity revenue:
 - Venues
 - Coaches
 - Paid tutors
- When payment for venues and coaches must be paid by the u3a.

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.

3.3. 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.

3.4. Payments to other charities

In line with charity law, a U3A cannot raise funds for another charity that does not have similar charitable objectives. Washington Village 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 must be submitted with receipts (apart from single stamps, car travel and printing costs). Printing costs will be reimbursed at the rate of 10p/sheet. Expense claims will be authorised by the Treasurer 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 and meetings.

All claims need to be made on the appropriate form (downloadable from the Washington Village u3a website or 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.

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

5. Membership fees

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

As from 1st April 2024 the annual fee will be £15 whilst for applications between October and March the fee is £10. Members of another u3a may apply for Associate membership, in which case the fee is reduced to £11 or £6 depending on the month of application.

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. Financial reporting

The financial year, like the membership year, for Washington Village u3a is 1st April to 31st March.

As from 1st April 2019 the Washington Village u3a finances are recorded and managed by the Beacon System, which uses a receipts and payments format. Transactions can only be entered into the Beacon ledger (and edited) by the Treasurer and Assistant Treasurer.

It is the responsibility of the Treasurer to prepare and present to the committee:

- (a) Monthly financial reports;
- (b) An annual financial report.

These reports are verified by the Assistant Treasurer.

The annual report is presented to the membership at the AGM.

The accounts are independently examined immediately after the end of the financial year. The examiner is usually nominated for the forthcoming year and approved at the AGM.

Reports to the Charity Commission will comply with the CC thresholds of total income, i.e. all income that flows into the charity.

Accounts for each financial year must be kept for 6 years.

8. Reserves

Washington Village u3a aims to keep a level of reserves around 50% of the previous year's gross annual expenditure (excluding Group activities, which are virtually self-financing).

With committee approval, any money in excess of the target level of reserves will be used to benefit as many existing members as possible. It is not permissible to spend money other than in the furtherance of the U3A's objectives.

March 2024

To be reviewed October 2024