

# Finance Policy

## 1. Trustees' financial responsibilities

All Swanland u3a committee members are by definition trustees.

The trustees of The Swanland 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 •  
Preparing Annual Accounts in accordance with the governing document and relevant legislation.
- The accounts should 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 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 Swanland u3a 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 Swanland u3a and operated by nominated 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 Chairman, Treasurer and specified trustees (as minuted). 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.

- The Treasurer is responsible for examining the payment documentation (purchase invoice etc.) prior to signing the cheque or authorising an internet transfer. As part of this process the request for payment has to be approved by the person initiating the cost.
- 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 the 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. Access to the online accounts is by use of a personal password and an authorisation code.

## 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 costing more than £20 and other items to be purchased for the use of The Swanland 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 Swanland u3a

Group leaders may pay sums due by issuing their own cheque or paying online through their own bank account.

## 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 The Swanland u3a. Groups are permitted to make any expenditure deemed necessary by the group members and the group leadership and can withdraw money on request from the ring fenced funds held by the The Swanland u3a on their behalf, as appropriate. The Treasurer, and Group convenor 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.
- The group convenor will ensure that group members 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 a cash float.

### 3.1 Receipts

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

- Bank paying in envelopes may be given to group leaders for the purpose of paying in cheques. The Paying in envelope must be obtained from the Treasurer.
- Group leaders may pay sums due by issuing their own cheque or paying online through their own bank account.

### 3.2 Payments

- When the treasurer makes a payment request by email for a trustee on the bank mandate, the payee email address will added cc. When the trustee confirms, by email, that the payment has been authorised the payee will be added cc.
- Where net sums are being paid over this needs to be fully demonstrated to the Treasurer.
- Cash held back for cash flow purposes will be reviewed annually.

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

When payments may be deducted from activity revenue:

- The treasurer will use funds, in the bank accounts, to make authenticated payments for validated requests.

Outside speakers should be asked to state their fees and any travel costs at the time of booking and their sort code and account number to facilitate payment by bank transfer. Where the committee has agreed the use of a paid tutor, they must provide evidence of their self-employed status and invoice the Swanland u3a as agreed. This to be checked annually by the nominated member of the committee.

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 organiser 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 Swanland 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. The Swanland 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 trustees, or any person directed by a trustee, who are involved with running the The Swanland u3a will be reimbursed. Expense claims must be submitted with receipts. Expense claims will be authorised by the Chairman and no committee member should authorise their own claim. Expenses will include 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 sufficient detail as to the nature of the expense.

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 and membership of more than one u3a**

The membership fee is reviewed on an annual basis. The Swanland u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members. For u3a members who can show evidence of membership of another u3a, The Swanland u3a offers a reduced associate membership fee.

## **6. Asset register**

An asset register is maintained by the treasurer which records all assets held including their initial purchase price, date of purchase, estimated nominal value 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 Swanland u3a aims to keep a level of reserves that will cover a minimum of 12 months of regular operating activity. This is considered by the committee a reasonable level for this type of charity.

Social account 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.

## **8. Closure of Activity Group**

In the event of an activity group ceasing to operate all the funds and assets that have been accumulated will be transferred from the Group's accounts to the Administration account. The committee will consider the convenor's wishes in respect of potential distribution of these funds.

## **9. Gifts**

The committee will consider the granting of gifts on an ad-hoc basis, however gifts will not be given to speakers.

## **10. Gift Aid**

The Treasurer will check, verify and submit to HMRC the claim in the format as required by them.

## **11. Storage of Documents**

The Treasurer will store all relevant documents.

## **12. Accounts Review**

The treasurer will submit to the Accounts reviewer the annual accounts prior to the AGM

Signed on behalf of the trustees:-

Chairman. J.P. Scotney Date 30/1/22

Treasurer. [Signature] Date 31-1-2022