Higham & Rushden u3a Finance Policy.

1. Trustees' financial responsibilities

The trustees of Higham & Rushden 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 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 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 Higham & Rushden 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, Deputy Treasurer and Secretary. This responsibility cannot be delegated.
- All online BACS payments and cheques must be authorised by two signatories as above.
- The signatories are responsible for examining the payment documentation (supplier / purchase invoice etc.) prior to authorising an online payment or signing the cheque.
- All bank statements to be directly accessible to the treasurer and deputy treasurer via online banking procedures.
- Blank cheques will never be issued, future usage of cheques will be restricted.
- 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 authorised signatories as above will have access to this facility. The security of the online system is in line with the arrangements offered by National Westminster Bank (Bankline for Communities) 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 will be by logging on to the bank system with a personal password and access code.

There will be NO Banking debit cards issued to individuals of the u3a.
All payments to any third parties will be made upon request to the Treasurer and / or deputy treasurer and settlements will be by BACS the online banking system.

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 and agreement will have to be made by the Treasurer where a group leader intends to use these cards to assist in the running of their interest group.

Prior approval must be given by the committee for equipment and other items to be purchased for the use of Higham & Rushden 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 Higham & Rushden 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 and can withdraw money on request from the Bank group social account held by the u3a on their behalf, as appropriate.

The Treasurer, deputy treasurer and Group Leader(s) need to agree what online 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 errors or loss.
- Allow group leaders to maintain cash floats.

Receipts
With future restrictions of banking facilities in the geographical area the intention is to generally reduce the amount of cash and cheques to be paid into the Higham & Rushden Bank group social account, if possible members will be encouraged to pay their required fees for trips etc by BACS online banking, and the committee has decided that:

Receipts continued

- Bank paying in books will be given to certain group leaders for purpose of non electronic payments.
- Group leaders may pay sums due online through their own bank account.
- Where net sums are being paid over this needs to be fully demonstrated to the Treasurer.
- Cash held for cash flow purposes will be within the u3a's approved limits (they will vary by activity).

3.2 **Payments**

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

- When a trip is organised by and paid through the u3a or paid directly by the members to the trip organiser.
- When payments for venues, coaches, tutors, speakers etc may be deducted from activity revenue.
- When payment for venues, coaches, tutors, speakers etc must be paid by the u3a.

Outside speakers should be asked to state their fees and any travel costs at the time of booking payments to them will be made by BACS online transactions only.

Where the committee has agreed the use of paid tutors, they must provide evidence of their self-employed status and invoice the u3a as agreed.

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 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. Higham & Rushden 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. 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.

All claims need to be made on the appropriate form (copies available from the Treasurer or the website) 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 claimed (with receipts), under no circumstances will any fines be reimbursed.

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. Higham & Rushden u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members.
A single annual membership fee applies to each individual member and there is no provision or reduction to the fees where members may also be a member of another u3a.

6. Asset register

The asset register is monitored by the Treasurer and Group Co-ordinator. This register should record 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

Higham & Rushden u3a aims to keep a level of reserves that will cover twelve 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.