

Basingstoke - Old Basing U3A

Financial Policy

1 Trustees' financial responsibilities

The Trustees of Basingstoke - Old Basing U3A (the "Trustees") are responsible for:

- safeguarding the assets of the charity;
- identifying and minimising the risk of loss, waste, theft or fraud;
- ensuring that the financial reporting is robust and of sufficient quality;
- keeping financial records in accordance with the U3A's Constitution and relevant legislation (e.g. Charities Acts, Companies Acts etc);
- preparing Annual Accounts in accordance with the Constitution and relevant legislation;
- the accounts showing a true and fair view of the state of affairs of the U3A.

The 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.

A copy of this policy will be given to all Trustees on their election/appointment as a Trustee and made available to members on the website.

This policy will be kept under review and revised as necessary.

2 Banking

Bank accounts

- All bank accounts are in the name of Basingstoke - Old Basing 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 Chairman, Treasurer and such other Trustees as may be agreed by the Trustees from time to time. This responsibility cannot be delegated.
- All cheques must be signed by two signatories.
- The signatories are responsible for examining each 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 online transfer.
- Payments may be made online and authorised by two signatories.
- 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 will be involved in counting cash receipts.

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Online banking

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 delegated rights, as agreed by the Trustees and in accordance with the bank mandate. All payments are authorised in accordance with the bank mandate.

Personal debit or credit cards

The use of personal debit or credit cards for interest group activities needs to be closely managed. Permission to do this must be sought from the Trustees where a group feels there is no other viable way to make payments.

Prior approval must be given by the Trustees for equipment and other items to be purchased for the use of the 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 Basingstoke - Old Basing U3A.

3 Groups' finances

All groups' expenses are met from Basingstoke - Old Basing U3A funds. Before being incurred, all expenses must be agreed by the Treasurer and, if he or she thinks appropriate, a majority of the Trustees. In accordance with advice from the Third Age Trust on compliance with charity law, the Excursions group (i.e. visits, excursions and holidays) is self-financing and can collect such sums of money as the group members and leadership deem necessary to undertake their activities. The funds of this group belong to Basingstoke - Old Basing U3A.

The group is permitted to make any expenditure deemed necessary by the group members and the group leadership, and can withdraw money on request from the ringfenced funds held by the U3A on their behalf, as appropriate. The Treasurer, Group Facilitator and group leader(s) need to agree what records need to be kept of the group's 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;
- allow the group leader(s) to maintain a cash float.

Receipts

Where it is necessary to hand over cash or cheques to be paid into a Basingstoke - Old Basing U3A bank account:

- bank pay-in slips may 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;
- 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;
- any cash held back for cash flow purposes will be within the U3A's approved limits

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Payments

The Trustees 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 may be deducted from activity revenue:
 - venues
 - coaches
 - speakers
- when payment for venues, coaches, speakers etc must be paid by the U3A.

Outside speakers should be asked to state their fees and any travel costs in advance of booking.

The Trustees will, via the Treasurer, monitor the income and expenditure of the groups. Group leaders need to provide regular information on venue bookings to the Treasurer. Where groups do not comply, the Trustees will investigate whether the group is operating legitimately in line with the insurance and financial requirements.

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.

Payments to other charities

In line with charity law, a U3A cannot raise funds for another charity that does not have similar charitable objectives. Basingstoke - Old Basing U3A will make payments to speakers who have indicated that they intend to donate their fee to a specific charity, but will not pay money direct to a speaker's 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 or another Officer of the U3A and no Trustee shall authorise their own claim. Expenses may include – with the Trustees' prior approval – attendance at the Third Age Trust's AGM and Conference or national/regional workshops.

All claims need to be made in writing giving detail of the nature, purpose, date and amount of the expense.

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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 Trustees.

5 Membership fees

The membership fee is normally reviewed on an annual basis. Membership fees are not reduced if the member belongs to another U3A.

6 Asset register

An asset register is maintained by a Trustee on behalf of 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

Reserves are held to enable the U3A to withstand unexpected events and fluctuations in income and expenditure.

One significant risk is a major venue becoming unusable by, for example, a fire when future use had already been paid for. The reserve needed for this risk is currently assessed by the Trustees as £8,000 to cover new venue costs and to replace equipment stored at the unusable venue.

Another risk is a material reduction in membership. The Trustees assess the reserve needed for this as a further £4,000.

A further £3,000 needs to be held as at the U3A's year end to pay for costs incurred but not yet paid.

The total reserves as at the year end should therefore be £15,000.

While these risks are those identified as the most likely, the reserves are available for use if other risks jeopardise the future of the U3A.

The reserves policy will be reviewed every year.

8 Document version history

This version of the Basingstoke – Old Basing U3A Financial Policy was approved and agreed by the Trustees on _____. A summary of previous versions is set out below.

Version	Date	Summary of changes from previous version