

Hythe & Dibden u3a Finance Policy

Trustees' financial responsibility

This Policy sets out the framework within which the finances of the Hythe and Dibden u3a (the "u3a") will be managed.

The Trustees, the members of the Executive Committee, are jointly responsible for the finances of the u3a, including its interest groups. This means protecting the assets and ensuring that financial records are accurate and comply with all relevant legislation. This Policy sets out the framework within which the Trustees will act. It will be provided to all Trustees, and will be available to all members.

This Policy was agreed by the Executive Committee at a meeting on 14th August 2023 and will be reviewed every two years as a matter of course; it may also be reviewed at any other time if necessary.

Financial year

The u3a's financial year runs from 1 April to 31 March. The membership year runs from 1 June to 31 May.

Banking

The u3a maintains the following two Business Current Accounts with NatWest

- The u3a Hythe and Dibden Account is used for the general running of the u3a
- The Social Account is reserved use in connection with events outside the normal running of the u3a, for example theatre trips or overnight stays

Four members of the committee will be given a mandate to act as signatories on the accounts; the Chair, Secretary and Treasurer, plus one other as agreed by the Executive Committee. The Treasurer plus one other of these signatories will be authorised to use online banking.

Payments by cheque require two signatures. Cheques must be fully completed before being signed by either party.

Dual authorisation is not possible for online payments. For that reason, any payment over £100 amount must be authorised by two committee members (one of whom may be the Treasurer).

Paying in books will be held by the Treasurer and by the Membership Secretary.

Any changes to the banking arrangements must be approved by the Executive Committee.

Expenses

Claims for expenses other than mileage and printing must be accompanied by receipts. Claims forms must be signed by the claimant and approved by a member of the executive committee. No person may approve their own claim. Prior approval must be given by the Committee for equipment to be purchased for the use of the u3a or any interest groups, and invoices must be issued in the name of the u3a.

Financial records

The Treasurer will keep the following records:

- A cash account showing all the transactions that have passed through the bank accounts
- An asset register showing all non-cash assets owned by the u3a

The Treasurer must be aware of the monetary transactions taking place within the u3a's interest groups. See Interest Group Finances (below).

Treasurer's reports to the Executive Committee

The Treasurer will provide information to the Executive Committee at each of its meetings, to include the current balance of both bank accounts and a forecast of the financial position for the next 12 months.

Any serious concerns about the financial health of the Group must be raised immediately with the Chair.

Annual accounts

As soon as practical after the end of the financial year, the Treasurer will prepare annual accounts and a report, which will reflect all the financial transactions made through the bank accounts, and also the transactions of the interest groups.

The income of the u3a is currently below £5,000 per annum. On that basis, registration with the Charity Commission is not required and the only legal requirement is that annual accounts are prepared and made available on request. However, the Executive Committee has decided that an annual report will be presented at the AGM along with the accounts, and that independent examination will be carried out, despite neither of these being mandatory.

In compliance with Third Age Trust requirements, accounting records are to be retained for a minimum 6 years.

Registration with the Charity Commission

While the u3a's income is below £5,000, registration with the Charity Commission is not necessary. If the u3a's income exceeds £5,000 in any year, an application for registration must be made immediately, and this Policy reviewed to ensure that it complies with all legal requirements.

Reserves and membership subscription

During the final quarter of the financial year, the Executive Committee will review the Treasurer's forecast, and will decide on the level of the membership subscriptions to be applied for the next membership year, with a view to retaining adequate, but not excessive, reserves.

Gift Aid

The Trustees have decided not to claim Gift Aid for the time being. This decision will be kept under review.

Charitable donations

Charitable donations are only permitted to a charity that has similar objects to the u3a.

Where a speaker requests that their fee is paid to a charity, payment should be made to the speaker so that the speaker can make the charitable donation personally. If for any reason this is not possible, the payment may be made directly to the charity, provided the speaker signs a document acknowledging that the payment is their income, and being paid to the charity at their request. Under the mutual aid principle, where the speaker is a member of any u3a, they cannot be paid for their services and, therefore, no charitable donation can be made on their behalf.

A charity may be paid for a service, such as the hire of a venue. Where a donation is requested, the issue must be explained to them, and an invoice for their service requested.

Where there is a desire to collect or raise money for a charity at a u3a event, this must be done personally by a member, and not through the u3a bank account.

Interest group finances

The Convenor of any interest group that makes an attendance charge will keep a cash record, and will provide a copy of that record to the Treasurer at quarterly intervals, as at the end of June, September, December and March.

The Convenor may hold money for the normal operation of the interest group, provided that the sum held at any time does not exceed £100.

Where an interest group organises an event that is outside their normal meetings, or which involves more than £100 being held, money collected must be given to the Treasurer for payment into the Social Account, and invoices must be passed to the Treasurer for settlement.

The funds held, and any assets purchased, by the group belong to the u3a. In the event of any interest group ceasing to operate any funds remaining will be given to the Treasurer for payments into the Current Account and any assets remain the property of the u3a to be retained or disposed of at the discretion of the Executive Committee.

A detailed guidance note has been prepared for interest group Convenors. If any amendments are made to this Policy, that guidance note must also be reviewed to ensure that there is no divergence.

Signed on behalf of the Executive Committee

(Andrew Rance, Secretary)

Date

Next review due by 14th August 2025