



FINANCE POLICY

1. Trustees' financial responsibilities

The trustees of Shoreham & Southwick 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.
- 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. Accounting records and accounts

The treasurer will, with the agreement of the executive committee, determine how the organisation's accounting records are to be maintained. Beacon, or any other accounting software (e.g. Excel) can be used. If external software is used, adequate back up procedures must be employed.

The treasurer will prepare monthly accounts for presentation at each executive committee meeting, showing the financial situation of the u3a at the end of each month. These monthly accounts are to be in a format agreed by the executive committee. At the financial year end the treasurer will prepare accounts for the year which are to be examined by an Independent Examiner, who can be a member of the u3a but not a member of the executive committee. These full year accounts, signed by the Independent Examiner, are to be presented to the members attending the Annual General Meeting following the end of the financial year. The treasurer will also present a treasurer's report to the Annual General Meeting.

3. Budget

The treasurer will prepare a budget in April each year for the forthcoming year. It will be presented to the executive committee for approval. The treasurer will review the budget from time to time and correct the budget for any items where the actual amount materially differs from the base on which the budget was prepared. Any revision to the budget will be presented to the executive committee.

4. Banking

4.1 Bank accounts

- All bank accounts are in the name of Shoreham & Southwick 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.
- Additions to or deletions from the list of authorised signatories may only be made by a decision of the trustees. The treasurer will retain a list of authorised signatories and ensure that the trustees are made aware of any signatory who has stepped down from their role and may need to be deleted from the list.
- All cheques must be signed by two signatories.
- 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.

4.2 Online banking

Only trustees approved by the committee have access to online banking. These are: The Treasurer for all accounts, any member of the Finance sub-committee approved by the executive committee, and the Membership Secretary for the Membership bank account (read only). The security of the online system is in line with the arrangements offered by Lloyds Banking Group plc and in accordance with the mandated approval limits.

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 varies from bank to bank and may be via a card reader and personal access card or by logging on to the bank system with a personal password and access code.

4.3 Payment by bank cards

The issue of any bank debit card in the name of Shoreham & Southwick u3a will be approved by the committee.

Shoreham & Southwick u3a holds up to 2 business debit cards. These are held by the Treasurer and designated members of the executive committee. All transactions made using these cards appear immediately on the appropriate bank account (subject to the

timescales for electronic banking transactions). All such payments must be supported by an invoice or receipt where possible made out to Shoreham & Southwick u3a. All payments are reported in the monthly accounts.

4.4 Personal debit or credit cards

Prior approval must be given by the committee for equipment and other items to be purchased for the use of Shoreham & Southwick 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.

Where possible, invoices must be issued in the name of Shoreham & Southwick u3a.

4.5 Sumup machine

Shoreham & Southwick u3a has purchased a Sumup machine to enable the collection of membership fees from new or renewing members. The machine is kept by the Membership Secretary and is password controlled. It may be used only by the Membership Secretary or someone else designated by the Membership Secretary. A record of all payments must be kept to reconcile against the bank statement and the surname or other identifier of the payee must be recorded on the machine at the time of payment.

Sumup fees are deducted before the amount is credited to the bank account. The net amount is recorded as the amount received from the member.

4.6 Bank reconciliations

The Treasurer will reconcile the bank statements to the accounting records on a monthly basis. The Membership Secretary will reconcile the membership account bank statement to Beacon on a monthly basis.

5. Groups' finances

Shoreham & Southwick U3A rent rooms from the Shoreham Centre, the Sussex Yacht Club, and some other venues, for group meetings, the cost of which is hoped to be recovered from the members attending the groups. This contribution is currently set at £2 per head for any session that the member attends. This contribution is reviewed annually as part of the budgeting process.

The committee will monitor the income of the groups compared to the venue costs.

5.1 Collecting contributions

The group co-ordinator is responsible for collecting the contributions for their group. They must record the amount received and the number attending on a contributions slip, this must be put in an envelope with the money and taken to a nominated address. Once received the nominated person at this address places the envelopes in a locked cash box to pass on to the treasurer who is then responsible for banking the monies and for entering the values against each group.

No monies may be deducted from the received contributions. Any appropriate expenses, which must have prior approval of an executive committee member, must be claimed as defined in section 7.

Some outings and holidays are organised by the u3a Trips or Holidays co-ordinator. All monies for these outings are collected from the members wishing to attend and are paid into the u3a account by the treasurer.

5.2 Payments

Payment to hotels, venues and coach hire are made by the treasurer at the request of the organiser who provides documentation.

5.3 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.

6. Other payments

6.1 Payments to suppliers

Suppliers' invoices can be paid by BACS, cheque or debit card. The treasurer is responsible for making the payments.

Invoices should be signed by the committee member ordering the goods and given or emailed to the treasurer for payment.

6.2 Payments for venues

For rented rooms the treasurer determines the month's rental from the accounting software. Most of the rooms are at the Shoreham centre, so a copy of a spreadsheet of expected charges is sent to the Shoreham Centre to be checked against their records and if agreed as correct the centre sends an invoice to the treasurer for payment. If there are any queries they must be resolved by the treasurer before payment is made.

For rented rooms outside of the centre, payment is made to the provider, as determined by the treasurer from the record of receipt, and paid by cheque or BACS. The treasurer will keep a record of BACS payments made.

6.3 Payments to other charities

In line with charity law, a u3a cannot raise funds for another charity that does not have similar charitable objectives. Shoreham & Southwick 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.

The invoices and payment are entered in to the accounting software by the treasurer.

7. Trustee and volunteer expenses policy

Out of pocket expenses incurred by the volunteers who are involved with running the u3a, including trustees will be reimbursed. Expense claims must be submitted with receipts. Expense claims will be authorised by the executive committee 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) giving sufficient detail as to the nature of the expense. Valid receipts showing the relevant date and supplier must be submitted with the claim form.

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 fines 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.

8. Membership Fees

The membership fee is reviewed on an annual basis as part of the budgeting process. Shoreham & Southwick u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members.

There is a discount for members of other u3as who become associate members of Shoreham & Southwick u3a. This discount is equal to the annual capitation fee paid to the Third Age Trust for full members.

Current members details are held on Beacon, the u3a central membership and accounting data base. When payment is received the membership is renewed for the current year. A membership cannot be renewed unless payment is received.

For new members a membership application form must be completed and signed. Once completed their details are added to the database and when payment is received they are activated as a new member.

9. 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.

10. Reserves

Shoreham & Southwick 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 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.

11. Investing funds

Shoreham & Southwick u3a will carefully select regulated banking partners where money will be kept on deposit, where possible maximising the amount of interest earned. All banking deposits will be covered by the Financial Service Compensation Scheme and the amounts on deposit will be kept within the limits for this scheme.

All investments require the approval of the executive committee and agreement must be minuted at a meeting of the executive committee.

No funds will be invested in accounts or with providers where the assets are at higher risk or where the amount returned could be less than the amount initially invested.

Version	Description	Date
1.0	Adoption of new policy by the trustees	13 February 2024
2.0	Amendment to title and section 8 to include associate membership fees	8 October 2024