

FINANCIAL CONTROLS POLICY

1. Purpose

All charities are required to determine their “Internal Controls” for running the charity, one of these being the Financial Controls, or Financial Policy.

The Financial Controls Policy is a documentation of the current procedures of the u3a.

Where applicable “Trustees” includes the Board of Trustees or committee members.

2. Trustees’ financial responsibilities

The trustees of Wheathampstead u3a (“the charity”) 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.

3. Statement

To enable the trustees to carry out the above 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.

4. Banking

4.1 Bank accounts

- All bank accounts are in the name of Wheathampstead 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 can be the Chairman, Vice Chairman, Secretary and Treasurer and/or other Trustees. This responsibility cannot be delegated.
- All cheques may be signed by one signatory.
- The signatory is responsible for examining the cheque for accuracy and completeness.
- The signatory is 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.
- Whenever practicable two people should be involved in counting cash receipts.

4.2 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 Barclays Bank and in accordance with the mandated approval limits.

4.3 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 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. The issue of any bank debit or credit card in the name of Wheathampstead u3a will be approved by the committee. The use of these cards overrides the dual control aspect of the payment authorisation process, but is permitted, where agreed in advance in recognition that online purchases for certain goods and services represents the most effective, and in some cases, the only method of completing the purchase (e.g. theatre tickets).

Wheathampstead u3a holds three business debit/credit cards. These are held by the authorised signatories. All transactions made using these cards appear immediately on the appropriate bank account (subject to the timescales for electronic banking transactions) and are subject to review by the authorised signatories through the online banking service. All such payments must be supported by an invoice or receipt made out to Wheathampstead u3a.

4.4 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.

Where the cost exceeds £20 prior approval must be given by the committee for equipment and other items to be purchased for the use of Wheathampstead u3a or specific interest groups or for activities such as speaker meetings, outings, workshops and social events. 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 Wheathampstead u3a.

5. Finances of groups, speaker meetings, outings, workshops & social events

Speaker meetings are wholly financed by Wheathampstead u3a.

Workshops and social events are self-financing except to the extent that workshops and certain social events will be subsidised by Wheathampstead u3a.

Outings are self-financing.

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.

A group convenor or other appointed member of a group may collect petty cash from the group members for such purposes as book hire, room hire, photocopying and the purchase of refreshments.

In instances where a tutor is employed and where all group members agree to do so, the members may individually pay the tutor direct. Such sums may include room hire if this is paid by the tutor.

In all other circumstances where groups collect from their members whatever money is necessary for the functioning of the group, such money must be paid into the Wheathampstead u3a bank account and is the property of the u3a. The Treasurer will then pay tutors and other suppliers on behalf of group members and in the name of Wheathampstead u3a.

The Treasurer, Groups Co-ordinator and Group Convenor(s) need to agree what records they need to keep of a 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 group convenors to maintain cash floats.

Reference should be made to the separate document 'Finance Guidance for Groups, Workshops and Social Events'.

5.1 Receipts

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

- Bank paying in slips will not be given to group leaders for this purpose.
- Group convenors may not pay sums due by issuing their own cheque or paying online through their own bank account, but where they have collected cash from group members they may pay the total amount of such money to Wheathampstead u3a in the form of a cheque or online payment
- Where applicable receipts will need to be given to group convenors or acknowledged by email.
- Cash held back for cash flow purposes will vary by activity.

5.2 Payments

The committee will inform relevant group convenors and activity organisers as to the approved process for payments relating to:

- When a trip is organised by and paid through the u3a, in which case the Treasurer will pay the trip provider(s) after the money from participating members has been placed in the bank account.
- When a trip is paid directly by the members to the trip provider(s).
- When payments may be deducted from activity revenue:
 - Venues
 - Coaches
 - Tutors
 - Speakers
 - Caterers
 - Other
- When payment for venues, coaches, tutors, speakers, caterers etc must be paid by the u3a, in which case the Treasurer will pay the activity etc. provider(s) after the money from participating members has been placed in the bank account.

Outside speakers should be asked to state their fees and any travel costs at the time of booking and payment will be made by the Treasurer.

Where an interest group or workshop organiser has agreed the use of a paid tutor, they must provide evidence of the tutor's self-employed status.

The committee (via the Treasurer) will monitor the income and expenditure of interest groups using the beacon ledger and the accounts spreadsheet. Group convenors 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.

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.

5.4 Payments to other charities

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

6. 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 may 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 on 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 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.

7. Membership Fees and membership of more than one u3a

The membership fee is reviewed on an annual basis. Wheathampstead u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members. Wheathampstead u3a offers a system whereby the membership fee can be adjusted for those who can provide proof of benefits received.

For u3a members who can evidence membership of another u3a Wheathampstead u3a will reduce the cost of membership by the amount that is paid to the Trust for each member.

8. 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.

This policy was adopted on 6 May 2025
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