

Cardiff u3a Financial Policy.

1. Trustees' financial responsibilities

The Trustees of Cardiff 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. Constitution, Charities Acts etc).
- Preparing Annual Accounts in accordance with the governing document and relevant legislation.

The accounts will 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 made available to all trustees and members of the Cardiff u3a via the Cardiff u3a 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 'The Cardiff U3A' and are 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 and three other Trustees as agreed by the Cardiff u3a committee. This responsibility cannot be delegated.
- Other than for cheques issued to the Treasurer, the Treasurer will normally be one of the signatories for each cheque.
- 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.

2.2. Online banking

For online operation of the bank accounts, only signatories or a member of the committee, with the approval of the Cardiff u3a committee, will have access to this facility. The security of the online system is in line with the arrangements offered by Lloyds Bank and PayPal.

Access to the online accounts varies from bank to bank. The accounts held by Cardiff u3a are accessed by logging on to the bank system with a personal password. The use of an account online may by necessity override the dual control aspect of the payment authorisation process, but is permitted, where agreed in advance by the committee 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.

Cardiff u3a does not hold any business or debit/credit cards.

2.3. 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.

3. Groups' finances

3.1 General

Each established Interest Group is expected to be self-financing and may collect such sums of money, and make such expenditure, as the Group Members, Convenor and Treasurer deem to be necessary to undertake their activities. Any income of an Interest group is managed by the group in the first instance but forms part of the Cardiff u3a funds.

Just prior to the start of the Financial Year (1st September), Convenors and the Group Coordinator and / or Treasurer, taking into account average attendance and room hire costs, will determine a member contribution to be paid at each meeting attended. This may be reviewed when felt appropriate, but normally not more than twice a year (e.g. end of each 'term'). Where the Group feels that an Occasional speaker is of benefit, this should be reflected in the calculation of the member contribution, as should any equipment (including clothing).

Prior approval must be given by the committee for equipment and other items to be purchased for the use of Cardiff 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 equipment purchased for use by a specific group remains the property of the Cardiff u3a.

It is advised that a 'Register' is kept by the Convenor of members attending each meeting, this may be in 'tick' form in a table of Names / Dates, or a written list of names.

The Cardiff u3a Executive Committee will subsidise New Groups for an initial period, will consider Small Group subsidies and, with prior agreement with the Treasurer (or Chair in their absence), will subsidise extra costs of a venue where a regular venue is not available. No subsidy may be given if the group has a paid tutor.

All transactions need to be recorded by the Treasurer in order 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.

The Cardiff u3a Executive Committee (via the Treasurer) will monitor the income and expenditure of the groups. Group Convenors are obliged to provide regular information to the Treasurer. Where groups do not comply then the Executive Committee will undertake a review as to whether the group is legitimately operating in line with the insurance and financial requirements.

3.2. Receipts

To manage the handover of cash and cheques to be paid into the Cardiff u3a bank account:

- Convenors may pay sums due by issuing their own cheque (payable to 'Cardiff u3a') or paying online through their own bank account to the Cardiff u3a account.
- Where cash is handed to the Treasurer a receipt will be given or the cash acknowledged by email.
- Where net sums are being paid over, the income and expenditure will be fully demonstrated to the Treasurer and recorded accordingly.
- Cash held back for cash flow purposes will be within the Cardiff u3a's approved limits (see petty cash below).

3.3. Payments

Room hire fees will be paid from the Cardiff u3a bank account.

When a trip is organised by a Convenor, payment for venues, coaches, tutors, speakers etc. must be paid from the Cardiff u3a account.

Outside speakers must be asked to state their fees and any travel costs at the time of booking and a cheque obtained from the Treasurer.

Where the committee has agreed the use of a paid tutor, the tutor must provide evidence of their self-employed status (HMRC will have issued them with a Unique Tax Reference number), their Public Liability Insurance and invoice the u3a as agreed. The trustees are responsible for checking annually that these measures are still in place.

Occasional costs (e.g. photocopying, postage) will be recorded under the Group to which they apply.

3.4. Social activities

Events such as theatre trips, visits or educational days out must be charged at cost and all participants pay appropriately. The payments made by members must cover out-of-pocket expenses of any member involved in the organisation of the event.

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 may 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 receive any pecuniary reward for organising an event.

3.5. Petty Cash

Petty Cash may be requested and held by Convenors. Transactions must be recorded and be made available to the Executive Committee on request (on paper or within the Group's ledger on Beacon), along with receipts wherever possible. Transactions of £5.00 or above should NOT be treated as petty Cash, but be paid by, or submitted to, Cardiff u3a. At the end of the financial year the Petty Cash figure must be notified to the Treasurer and the amount to be held for the following year agreed. Throughout the year the maximum held will normally not exceed £20, unless justified to the Treasurer for a given purpose, and any excess submitted to the Cardiff u3a bank account. This will be recorded as Income to their Group. A maximum request of 50p may be made towards refreshments (home hosted events) or incidental expenses (e.g. small amounts of photocopying). Any larger amounts must be treated as Petty Cash.

3.6. Payments to other charities

In line with charity law, a U3A cannot raise funds for another charity that does not have similar charitable objectives. Cardiff u3a will make payment of a speaker's fee to their nominated charity provided the speaker completes and signs the Third Age Trust's Speaker fee form requesting this.

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 Executive Committee and no committee member should authorise their own claim.

All claims must to be made on the appropriate form (copies available from the Treasurer and on the Cardiff u3a website) and must give sufficient detail as to the nature of the expense.

Expense claims must reflect the cheapest travel option available.

Overnight accommodation will only be allowed in exceptional circumstances and will need the prior agreement of the Executive Committee.

Please see 'Guidelines on Expenses' (<https://cardiffu3a.org/wp-content/uploads/GuidelinesOnExpenses.pdf>) for further detail.

5. Membership fees and membership of more than one U3A

The membership fee is reviewed on an annual basis. Cardiff u3a is committed to keeping the membership subscription as low as possible to ensure that the U3A remains accessible to all members. Cardiff u3a does not reduce the membership fee for members of another U3A.

6. Asset register

An asset register is maintained by the Treasurer which records all assets held including 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 Policy

The reserves are held to enable Cardiff u3a to meet the financial commitments to the Third Age Trust in the event of unplanned closure and to complete the membership year within which such a closure occurs. Should the reserves be in excess of the amount required, then membership fees will be reduced or waived in that final year.

This is a living policy and the reserves can be calculated by the addition of the sums generated from (a) and (b) below. Although this will ensure a certain currency, the policy should still be monitored and reviewed as necessary.

a) Per member: the Third Age Trust fees for Membership, Magazine, and Beacon licence.

b) 40% of expenditure of previous financial year, excluding (a) and social, outings and theatre expenditure.

No restricted or designated funds are currently held. Recoverable amount for assets is negligible.

Latest update: 5th September 2022.