

## **Financial advice for Groups and Group Leaders**

### **Introduction**

The Romsey Archway u3a Financial Policy has been published and can be found under the documents tab of the website.

Section 6 of the policy covers group finance management; it also covers the audit trail that is required by our status as a charity.

### **Interest Group Finances**

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. The funds of these groups belong to the u3a. Each group leader is required to enable the treasurer to control the money that is flowing through the bank account. If leaders conform to the following advice, this will provide an audit trail for the cash within groups. Note that Group Leaders should never use their personal bank account to handle u3a money.

Group Finances can follow one of the following models:

1. Ongoing Group Activities with Periodic Subscriptions: This would be for activities continuing for more than 6 months. Group members pay a subscription at agreed intervals between 1 month and 6 months into the Archway u3a Bank account via BACS or by cheque to the Treasurer or Group Leader. Invoices for venue hire and other group expenses are presented to the Treasurer, who will arrange payment
2. Short-term or Ad-hoc Activities: Where the venue hire is booked on a short-term basis, Group leaders may accept cash payments from the Group members for the room hire and pay the hirer directly. Please note: Receipts must be retained and given to the Treasurer at most every 6 months. New Members will start to contribute towards room hire when the new rental period begins. In this situation, the involvement of the Treasurer is limited to a review prior to an audit.
3. Groups not incurring expenses: It is acknowledged that some Group activities, such as walking or bird-watching, would not normally incur auditable expenses. However, should Group expenses be incurred, then model 2 would apply.

### **Group Subscriptions Rates**

Group Leaders should set subscription rates to equal the cost of venue hire over the subscription period plus any other known expenses. Small excesses are tolerated to allow for members leaving or joining the group or changes in costs.

### **Audit Trail**

At the end of the Romsey Archway u3a year, the Treasurer will pull together an audit trail fit for submission to the Charity Commission. The submission will contain identical information to that in the audited accounts made available at the AGM.

### **Capital Equipment**

Prior approval by the committee is required if Romsey Archway U3A funds are to be used for the purchase of capital equipment.