



Financial 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 Policy may be simply the documentation of the financial procedures of a u3a. These procedures may evolve over time.

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

2 Scope

Romsey Archway u3a.

3 Agreed Wording

As below

4 Trustees’ financial responsibilities

The trustees of Romsey Archway 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 Romsey Archway 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 members on the website.

The policy will be kept under review and revised as necessary.



5 Banking

5.1 Bank accounts

- All bank accounts are in the name of Romsey Archway u3a and operated by the trustees.
- New accounts may only be opened by a decision of the trustees, which must be recorded in the minutes.
- Changes to the bank mandate may only be made by a decision of the trustees, which must be recorded in the minutes.
- The authorised signatories should be three or four of the [Chairman, Vice Chairman, Secretary and Treasurer and/ or other Trustees]. This responsibility cannot be delegated.
- 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.

Payments should fall into one of three categories:

- payments from funds collected by groups such as for room hire or equipment for the group activity
- payments within limits set in the annual budget for the item concerned, or
- payments as pre-approved by the committee and noted in the minutes such as social events, other activities or purchases.
- Any bank statements must be sent to the Treasurer directly.
- Blank cheques will never be issued.
- Blank cheques will never be signed by one signatory for a second to complete later.
- Whenever practical two people should be involved in counting cash receipts.

5.2 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 The Co-operative Bank plc. and in accordance with the mandated approval limits.

5.3 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. The issue of any bank debit or credit card in the



name of Romsey Archway 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). The committee will predetermine the spending limits for any card: the limit may be per transaction, per day or per month.

At the time of updating this document (March 2025), Romsey Archway u3a holds no business debit/credit cards. All transactions made using cards appear immediately on the appropriate bank account (subject to the timescales for electronic banking transactions) and are subject to review by the nominated officers through the online banking service.

All such payments must be supported by an invoice or receipt made out to Romsey Archway u3a.

5.4 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.

Prior approval must be given by the committee for equipment and other items to be purchased for the use of Romsey Archway 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 invoices must be issued in the name of Romsey Archway u3a.

5.5 Direct Debit Mandates

Payment by Direct Debit mandate should not be used except where there is no practicable alternative as it does not comply with the requirements for authorisation of payments set out in previous sections. Administration of Direct Debits also places an additional burden on the Treasurer.

Direct Debit mandate may only be set up by a decision of the trustees, which must be recorded in the minutes.

In order to minimise the risks associated with payment by Direct Debit, and to ensure payments are authorised, the following procedure will be observed:

- On receipt of an invoice ahead of a Direct Debit payment, the Group Leader must check whether they agree with the invoice and notify the Treasurer accordingly
- The Treasurer shall record the impending transaction and inform the other authorised signatories of the impending payment
- One of the other authorised signatories must confirm that the payment is authorised

- All the above must happen before the Direct Debit payment date in order to avoid the administrative issues associated with the recall unauthorised payments

All invoices must be issued in the name of Romsey Archway u3a.

6 Groups' 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. Groups are permitted to make any expenditure deemed necessary by the group members and the group leadership and can withdraw money on request from the ringfenced funds held by the u3a on their behalf, as appropriate. The Treasurer, Groups Co-ordinators and Group Leader(s) need to agree what records they need to keep of the 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 leaders to maintain cash floats.

6.1 Receipts

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

- Bank paying in slips will not be given to group leaders for this purpose.
- Romsey Archway u3a prefer payment by on-line banking.
- Any cheques should be sent to the Treasurer direct noting the group name on the reverse. Cash should be sent by on-line banking payment with the group leader retaining any cash collected and remitting the total by online payment with an email sent to the Treasurer to advise with the breakdown of funds collected.
- Group leaders should not pay sums due to suppliers/venues by issuing their own cheque or paying online through their own bank account.
- Where applicable, receipts will need to be given to group leaders, or acknowledged by email.
- Where net sums are being paid over this needs to be fully demonstrated to the Treasurer.

6.2 Payments

The committee will inform relevant group leaders as to the approved process for payments relating to:

- When a trip is organised by and paid through the u3a or paid directly by the members to the trip organiser.

- When payments may be deducted from activity revenue:
 - Venues
 - Coaches
 - Tutors
 - Speakers
 - Other
- When payment for venues, coaches, tutors, speakers etc must be paid by the u3a.

Outside speakers should be asked to state their fees and any travel costs at the time of booking. Romsey Archway u3a prefer payment by on-line banking, but a cheque can be obtained from the Treasurer for Speakers not wanting to use on-line banking

Where the committee has agreed the use of a paid tutor, they must provide evidence of their self-employed status and invoice the u3a as agreed.

The committee (via the Treasurer) will monitor the income and expenditure of the groups. Group leaders 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.

6.3 Social activities

Except where a subsidy specific to the event has been agreed by the committee as below, 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.

The committee of Romsey Archway u3a may agree to subsidise individual social events, open to all members and intended to appeal to as many as reasonably possible, subject to a sum agreed in the annual budget or by utilising unrestricted funds (over and above those allocated in the budget and agreed reserve). Such an event is to be approved by the committee of Romsey Archway u3a to include a limit of the subsidy for it, prior to any booking or other commitment to proceed with it.

6.4 Payments to other charities

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

7 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. Expenses will include – with committee approval – attendance at the Trust’s AGM and Conference or national/regional workshops.

All claims need to be supported by receipts and with sufficient detail as to the nature of the expense.

Travel expenses should be agreed by the committee before costs are incurred. 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.

8 Membership Fees and membership of more than one u3a

The membership fee is reviewed on an annual basis. Romsey Archway u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members. Romsey Archway 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 Romsey Archway u3a will reduce the cost of membership by the amount that is paid to the Trust for each member. The annual membership fee excluding the capitation fee, shall be reduced to one third plus the full capitation fee, rounded down to the nearest pound, for those joining between 1 December and end of March each year, or by any other reduction as subsequently agreed by the committee and noted in the minutes.

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

Romsey Archway u3a aims to keep a level of reserves that will cover most risks to ensure that we can continue to operate such as unexpected reduction in income, or costs



including insurance excess payments for any successful claim against us. This is reviewed by the committee annually to fix a sum which is noted in the minutes and on the annual report.

Unless where explicitly agreed by the committee, groups and 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.

Adopted by Romsey Archway u3a committee: 6 February 2023

Updated: 3 March 2025

Next review due: December 2027