



FINANCIAL POLICY

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1. INTRODUCTION

Management of Wymondham u3a finances is regulated by:

- a) The Wymondham u3a Constitution
- b) The Charity Commission [CC] financial regulations
- c) HM Revenue & Customs – statutes and regulations (re. Gift Aid)

Under the provisions of the Constitution of Wymondham u3a all income must be paid into accounts in the name of 'Wymondham u3a'. The accounts must have a minimum of 3 authorised signatories who are current members of the Committee. All payments from the account(s) must be authorised by at least 2 of those authorised signatories.

Trustees of the u3a are not entitled to receive benefits from their role as Trustees. However, payments may be made to any Committee member for reasonable out of pocket expenditure incurred in the discharge of their duties.

The financial year end of Wymondham u3a is decided by the Committee and is currently 31st December.

All funds raised must be applied for Charitable purposes in accordance with Wymondham u3a's objects clause, subject to any restricted funds being applied to the relevant restricted purposes – (there are currently no such restricted funds).

Annual Accounts for the preceding financial year must be presented to each Wymondham u3a AGM, supported by an appropriate certification by either an elected Independent Examiner or qualified Auditor as required by Charity Law.

2. CHARITY COMMISSION REGULATIONS

The regulations as currently set out in "Charity Reporting & Accounting: The Essentials November 2016 (cc15d)" determine the following:

- As an Unincorporated Registered Charity a copy of the Annual Report & Accounts must be submitted to the Charity Commission within 10 months of the financial year end.
- The type of financial accounts that must be prepared, whether the accounts need an independent examination or formal audit, the level of information to be contained within the annual report and what other information must be sent to the CC is determined by the annual turnover of the organisation.
- Details of all income received by Wymondham u3a, including subscriptions, gross income from trips and holidays and other activities must be accounted for to the CC.
- As a Charity with gross income of less than £250k we will use the simpler "Receipts & Payments" format of accounts, as permitted by the regulations, together with a statement of our Assets & Liabilities at the financial year end.
- An independent examiner in respect of the accounts is appointed in accordance with the CC guidance.
- Accounting records must be retained for not less than 6 complete years prior to the current year. They must be made available to the public on request. A charge may be made to cover our costs. The Annual Report must also be made available to the public on request.
- That we should report our policy on reserves, stating the level of reserves held and why they are held. Where no reserves are considered appropriate a statement must be made to that effect. See below for the current Wymondham u3a policy on financial reserves.

3. HM REVENUE AND CUSTOMS

- Where applicable all financial matters will be carried out in accordance with the regulations of HMRC. The principal effect for the u3a is likely to concern Gift Aid.
- Currently Wymondham u3a does not seek to recover gift aid on subscriptions and donations. This matter will be kept under review to determine the cost/benefit of so doing.

4. PAYMENTS AND BANKING

- Payments are received in respect of membership subscriptions, holidays trips and other events.
- Payments may be made in cash, cheque, debit/credit card where appropriate, or via online banking. Every effort should be made where possible to minimise the use of cash to reduce workload and risk.
- Payment for goods and services received are made by cheque carrying the requisite two authorised signatures, or by online bank transfer.
- Wymondham u3a operates online banking enabling authorised users to view bank statements as often as necessary to facilitate management of the u3a, in particular the subscription renewal process.
- Online access also allows any nominated user to originate payments from our accounts on their sole authority. As a matter of policy, the committee has determined that the nominated person for this purpose shall be the Treasurer. To comply with the requirement that payments should be authorised by two signatories, any such payment should be ratified by either written or email agreement of a second Committee member. To deal with possible emergencies a second Committee member should be appointed to effect online transactions.
- Expenses incurred on behalf of the u3a may be reclaimed on the attached 'Expenses Claim Form'. This form is appropriate where the claim requires explanation or where multiple items are included in one claim. Where the Expense claim emanates from a member who is not a Committee member the Treasurer is able to make online payments of less than £100 without further authorisation. Items over £100 should be authorised by the Chairman or Vice Chairman of the u3a.
- At each Committee meeting the Treasurer will produce for each Committee member a list of all payments made through the u3a Bank Accounts.

5. GROUPS FUNDING AND FINANCE

- All groups should be self-funding. Subject to prior agreement of the u3a Committee a sum of up to £100 may be provided to purchase equipment or cover other essential up-front cost needed for the set-up of a new group.
- Any sum advanced to help set up a new group should be repaid to the Treasurer in a reasonable timescale through group member contributions.
- All equipment acquired by groups will be the property of Wymondham u3a and any funds generated from a future sale of such equipment must be returned to the ongoing group, or the Treasurer should the group cease to exist.
- Where groups collect money in and out on a simple basis, e.g., for entry to museums, daily travel meals and similar activities where it is more convenient for the leader to collect the money and pay it over with no carry-over of funds these need not be accounted for through the u3a systems. This includes payments made to hosts of home groups to cover the cost of refreshments.
- Where groups have more complex financial arrangements including those that carry over funds to finance future meetings or are in the process of paying back start-up funds they should formally account for these funds through the financial systems of the u3a.

6. BUDGETING AND REPORTING

The Treasurer will produce an annual budget of operating income and costs for the coming financial year, which will be submitted to u3a Committee for consideration and approval at the final committee meeting of the calendar year.

This budget document should include comparative year to date figures at Committee meetings throughout the year, with any significant variations against expectations being explained.

7. PROCUREMENT

In accordance with good practice and in particular Charity Commission regulations the u3a shall ensure that a robust and resilient procurement process is in place for all goods and services. It should ensure that the procurement and payment processes are subject to separate processes for authorisation.

8. SOCIAL EVENTS

Transport and accommodation for holidays are organised through Cairngorm Travel whose address is Unit H Opus 36, New Potter Grange Road, Goole. DN14 6BZ. Cairngorm Travel is ABTOT bonded.

All holidays, day trips and other social activities are arranged under the auspices of the Wymondham u3a Social Team.

All income for Social events will be collected by the Social Team and banked by them into the u3a's Social Bank account. Payment for social events will be effected by either a member of the Social Team and reimbursed to them by the Treasurer or paid directly by the Treasurer. In all cases suitable receipts must be submitted to the Treasurer for audit purposes.

Any financial surpluses arising from the provision of social activities will be retained within the Wymondham u3a Social Fund and may be used at the discretion of the Committee to pay for, or to augment, activities considered to be for the benefit of members of the u3a as a whole.

Refunds are not generally available for any payments made in respect of social activities should any person decide not to take part in them or be prevented from so doing.

Members of the Committee of the u3a and any other members helping with the organisation of social activities accept no liability for loss or injury of any kind sustained by any person taking part in these activities.

Each month, or at other intervals that the volume of transactions demand, the social team will prepare a statement showing income and expenditure for each ongoing trip, holiday or other social event and submit this to the Treasurer for reconciliation with Bank records.

9. FINANCIAL RESERVES

Financial reserves are amounts set aside as cover for the adverse financial consequences of unexpected future events. By their nature these events are not easily predictable nor quantifiable and do not lend themselves to calculation by formulae or other scientific means.

Examples of possible events that might occur and need to be covered by a reserve are:

- a) A sudden loss of income, for whatever reason.
- b) An unexpected claim against the u3a.
- c) The consequence of fraudulent activity, e.g., Cybercrime.

The Wymondham u3a Committee is ultimately responsible for determining an appropriate amount to be held in reserve that is adequate to build resilience against future unknown occurrences.

In the absence of any scientific way to calculate a level of reserves the Wymondham u3a Committee has determined that an amount equal to six months operating expenditures is both prudent and appropriate. This would amount to £5,000 approximately. This amount is also the sum, again approximately, needed to pay the 'Fixed costs' of the u3a for one year.

This sum need not be set aside in a separate bank account provided that the balance on the General Bank Account does not fall regularly or significantly below that level. The Treasurer will report regularly to the Committee on this matter.

The rationale supporting the Reserve policy will be addressed by the Treasurer at the annual AGM and included in the official report the Charity Commission. If the appropriate level of reserves is assessed as nil an explanation must be provided.

10. Asset Policy

An Asset is defined as equipment that is intended to last for more than one year and that initially costs more than £100.

In the past, all assets purchased have been written off in their year of acquisition and given the relatively low value of likely needs this policy will continue to be adopted. However, an asset register recording all assets held together with their location and original cost (where known) will be maintained by the Treasurer.