Worksop and District u3a Finance Policy

Policy prepared by or based upon	u3a Template 04/25 Amended by Nigel Carpino (May 2026)
Date approved by Committee:	June 2026
Policy Review Date:	June 2029

1. Purpose

Each u3a is required to set down its financial policies and procedures. This document defines the processes that Worksop & District u3a will use for its financial matters. The policy will be kept under review (at least every 3 years) and revised as necessary. A copy of this document will be given to all Trustees on their election/appointment to the Committee.

This policy is part of the governance arrangements. It sets out the financial framework and principles within which the Trustees of Worksop & District u3a will manage all the organisations financial affairs. The Trustees are accountable to the Membership for any non-compliance with this policy.

2. Trustees' Financial Responsibilities

2.1 Trustees

The Trustees of Worksop & District u3a are financially accountable for:

- Safeguarding the assets of the charity.
- Identifying and managing the financial 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 (ie. Constitution) and relevant legislation (e.g. Charities Acts, Companies Acts etc).
- Ensuring Annual Accounts are prepared in accordance with the governing document and relevant legislation and reflect a clear view of the state of affairs of the u3a.
- Ensuring that an Asset Register is maintained.

To enable the Trustees to carry out these responsibilities, the financial procedures below will be followed.

2.2 The Treasurer's Role

The Treasurer's role for Worksop & District u3a includes:

- Maintaining the financial records in accordance with the u3as's published financial policies, applicable charity law and statute.
- Managing the bank accounts in accordance with the financial policies.
- Preparation of accounts.
- Preparation of the annual accounts for the AGM, publication and filing.

3.Banking

3.1 Bank Accounts

- All bank accounts are in the name of Worksop & District 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 4 authorised signatories are the Treasurer and 3 others taken from the Chair, Vice-Chair, Secretaries and the other Trustees. This responsibility may be delegated where circumstances dictate (e.g. holiday cover).
- All payments must be approved by at least two signatories (one normally being the Treasurer).
- The signatories are responsible for examining the payment request for accuracy and completeness and for examining supportive documentation (purchase invoice etc.) prior to approval (signing the cheque or authorising an internet transfer).
- All bank statements must be available for the Treasurer.
- 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.

3.2 Online Banking

Where online operation of the bank accounts is in place only Trustees approved by the Committee will have access to this facility (as above, at least two). The security of the online system is in line with the arrangements offered by Barclays Bank and in accordance with the mandated approval limits.

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.

3.3 PayPal Account

Worksop & District U3A operates a PayPal account for receiving membership **s**ubscriptions paid online through the Worksop & District u3a web site. The PayPal account is linked to the main bank account and is maintained by the Treasurer. PayPal account fees are deducted automatically at a fixed rate from each subscription paid. The Treasurer will transfer the subscription income to the main bank account when authorised by the Committee. The Treasurer will not make payments from the PayPal account.

3.4 Payment by Bank Cards

Worksop and District u3a currently does not operate any debit or credit cards.

3.5 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 Worksop and District 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 Worksop and District u3a.

4. Accounts

4.1 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. This is normally through group subscriptions.

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.

Performing groups may charge or receive donations for their performance to generate income to fund legitimate group expenses, but this must be carefully controlled so no profit or surplus is generated.

It must be remembered all funds generated by the groups by whatever means belong to the u3a.

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.

4.2 Group records

Group Leaders need to keep a record 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. Such cash floats should not exceed £50.

Items that may be excluded from Group finance reporting include

- Expenditure on light refreshments e.g. tea, coffee, does not need to be reported if paid for separately.
- Any lunches or meals out, which are not part of the core group activity do not need to be reported, as they are not deemed to be u3a activities.

As a minimum Group Leaders must maintain a record:

- Of all money received.
- All payments made from the cash float, with their receipts.
- Any money banked with the Treasurer.
- Of the running total of their cash float This may be done by paper ledger, simple spreadsheet, or by using the ledger facility on the Beacon Membership system. Record should be available on request to the Treasurer and the Group's membership.

4.3 Receipts

To manage the handover of cash and cheques to be paid into the Worksop & District u3a bank account the Committee has decided that:

- Group Leaders must arrange for regular deposit of monies received.
- When a group holds in excess of £50, the excess must be deposited within one month.
- Group Leaders are encouraged to maintain as small a cash float as practical for their purpose and never more than £50.
- When making a deposit the Group Leader must inform the Treasurer of the amount deposited for their group, and the remaining cash float they hold. Failure to do so may mean receipts are not properly allocated to the group.
- Bank paying in slips will be given to group leaders, on request, for this purpose. Alternatively, deposits may be given directly to the Treasurer.
- The Treasurer will acknowledge all deposits by group leaders.

4.4 Payments

4.4.1 Payments via the Cash Float

Unless previously agreed with the Treasurer the cash float is intended to enable Group Leaders to make small cash payments to run their groups, such as to purchase refreshments and low value consumables. It is not expected that such payments would individually exceed £20. Members are expected to provide receipts for such expenditure. All other expenditure should be made through the Treasurer on presentation of an invoice or receipt.

4.4.2 Non Float Payments

The following are always paid directly by the u3a:

- Hall or venue hire fees
- Speakers
- Coaches, except in the case of commercially organised excursions
- Equipment

Outside speakers should be asked to state their fees and any travel costs at the time of booking. The Treasurer will provide a cheque or arrange a bank transfer.

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.

4.5 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.

Any excess money collected must be deposited by the organiser with the Treasurer. This excess may then be used to facilitate future events by the group.

4.6 Payments to other charities

In line with charity law, a u3a (including its interests groups) cannot raise funds or make donations for another charity that does not have similar charitable objectives. Any donations to another charity will require the approval of the Committee

The u3a can make donations to another charity in payment for a service such as a guest speaker or for room hire. In such cases the representative will provide a receipt for the donation specifying the service provided. Alternatively in the case of a speaker the u3a will make a payment to the speakers who may donate their fee to their chosen charity.

5. Statutory Reporting

Every charity needs to keep accounting records and produce annual accounts. The Statutory Authority for Worksop & District u3a is the Charity Commission for England & Wales. Further information can be found on the national u3a Trust website in Finance Matters – Guidance (see References).

6. General Reporting

The Treasurer is responsible for maintaining financial records and will submit regular accounts to the Committee. Accounts will be kept on a payments and receipt basis.

All financial records and receipts shall be kept for a minimum of six years. This includes Gift Aid declaration data.

7. Reserves

Worksop and District u3a aims to keep a level of reserves that will cover 12 months of regular operating activity. This is considered by the Committee a reasonable level for this type of charity.

Social account 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.

8. Other Points

8.1 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. Authorised signatories are stated in Section 3.1. No Committee member should authorise their own claim.

All claims need to be made by the agreed procedure 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.

8.2 Membership Fees and Membership of More Than One u3a

The membership fee is reviewed on an annual basis. Worksop and District u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members.

For u3a members who can evidence membership of another u3a, Worksop and District u3a will reduce the cost of membership by the amount that is paid to the national Trust for each member. These persons are each designated as “Associate Member”. However, if this person is from a local u3a where we have a reciprocal arrangement then no charge is made and these are each designated as “Associate Local Member”.

8.3 Asset Register

An asset register is maintained by the Trustees 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.

8.4 Gift Aid

We intend to claim gift aid from HMRC for membership fees where the local members have agreed on their application form this may be reclaimed. The process will commence in 2026 with an initial claim for the previous 3 financial years.

8.5 Card Readers

Worksop & District u3a do not currently operate a card reader to take payments by credit card for membership fees. However, this is under review and likely to be introduced in late 2026. This will be configured to pay directly into our bank account. The card reader is expected to offer an option for a receipt to be sent to the payer.

8.6 Procurement Process

For any procurement of a large value (£1,000 and above) item there must be a documented competitive tender process in place. This is applicable for any capital item or service. If a service, then the above value refers to either a one-off charge or an annual charge. The Committee must agree to the tendering process for the particular contract or purchase order, and this must be agreed before the actual activity is started. If there is required to be any change to the agreed process during the process, the reasons must be explained to the Committee and accepted by them. Prior to any final actual commitment the Committee must approve the proposed conclusion.

The Committee agreed at the June 2026 meeting that the requirement for competitive tendering may be suspended, under exceptional circumstances, where the item or service is of a specialised nature and limits the choice to a single provider. Such suspension and purchase will need to be approved by the Committee in each instance and minuted.

Any commitment below £1,000 can be single sourced but the Committee should still approve the award recommendation.

9. Investments

The u3a has as its prime consideration that it is merely holding money on behalf of its members. While the u3a should seek to obtain the best investment returns available, the security of funds takes precedence over returns on investment.

The Committee in May 2026 determined that an instant savings account (offered specifically for charitable organisations by a bank or building society) could be used. Such account being covered by the FSCS guarantee (limited to £120,000 per institution).

No investments will be made into stocks, shares, gilts, or bonds as the risk level would be too high.

All individual investments must be approved by the Committee.

The investments should be reviewed annually by the Committee, as part of the fee setting process to take account of changing economic conditions.

10. References

Finance Matters Guidance – website link: Finance Matters Guidance 2025
National website link - website link: Gift Aid Guidance March 2026