

## FINANCE POLICY

### 1. Introduction

#### 1.1 Purpose

Culm Valley u3a (CVu3a) understands that all charities are required to determine their internal controls for running the charity, one of these being financial controls. To this end, this is the Finance Policy.

A copy of this policy will be given to all trustees on their election/appointment to the committee and made available to CVu3a members on the website.

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

### 2. Trustees financial responsibility

The trustees of CVu3a are jointly responsible for:

- Safeguarding the assets of the charity
- Identifying and managing the risk of loss, waste and fraud
- Ensuring the financial reporting is robust, timely and of sufficient quality
- Maintaining financial records in accordance with the governing document and relevant legislation (e.g. Charities Acts, Companies Acts etc.)
- Preparing annual accounts that give a true and fair view of the state of affairs of CVu3a and are in accordance with the governing document and relevant legislation.
- Guiding the interest groups and sub groups with their financial records and intervening if appropriate

### 3 Banking

#### 3.1 Bank accounts

- Bank account should be in the name of CVu3a and operated by the trustees. In the event that this is not practical an alternative arrangement can be made (e.g. bank accounts being in the name of one or several trustees) with the approval of the trustees
- New accounts and changes to the banking mandate must be approved by the trustees and duly minuted
- The authorized signatories will be up to 4 of the trustees. A further signatory can be added from the membership with the approval of the committee.
- Dual signatory will be required for all changes to the banking mandate.
- The signatories are responsible for examining the payment documentation (invoice, receipt etc.) prior to releasing the payment.
- All paper bank statements will be sent directly to the Treasurer

#### 3.2 Online banking

Online banking and other methods of interfacing with the bank (e.g. banking App) can be used if practical. Access to the system(s) will be made available to the 4 authorised signatories.

The authorised signatories must ensure that their access information (user names, passwords etc.) is kept securely and not shared with any other person including other trustees.

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### 3.3 Personal bank accounts

Personal bank accounts may be used for interest group activities if the interest group contact has determined that this is the most expedient way of handling receipts and costs

### 3.4 Capital purchases

Any capital expenditure for equipment or other items that need to be purchased for regular use by CVu3a must have prior approval of the committee.

## 4. Interest group finances

Interest groups must aim to be self-financing such that their incoming funds should equal their outgoing costs.

Events requiring group payment e.g. coach hire, group entrance fee etc. should be charged to participants at cost. The organizer must not benefit from any discounts or surplus nor should be out of pocket.

Interest groups should not usually hold any funds once each activity is closed but if there is a small surplus this may be carried over to the next group activity

### 4.1 Interest group records

The interest group contact must keep sufficient records to identify the source of all funds received (i.e. payer name, date and amount) and the purpose of all expenditure (i.e. name of payee, date and amount). Supporting invoices or receipts for payments are desirable but not essential. The records can take any form from informal hand written notes through to a formal spreadsheet.

The committee has the right to request an explanation of funds received and monies paid if considered necessary.

The committee is available to support the interest groups with any difficulties they experience with keeping financial records

## 5. Expenses reimbursement policy

Out of pocket expenses incurred by CVu3a members involved with the running of the charity or meetings will be reimbursed. Expense claims should be submitted in writing and, if possible, with accompanying invoices/receipts. The expense form can be used. A committee member should authorize expense claims but a committee member cannot authorize their own expenses.

Mileage will be paid at the published HMRC rate.

## 6. Membership fees and monthly meetings

The membership fee is reviewed annually. CVu3a is committed to keeping the fees as low as possible to ensure CVu3a remains accessible to as many people as possible. In cases of particular hardship the committee can approve a reduction in the membership fee for the concerned member.

CVu3a members who can evidence membership of another u3a will be offered an associate membership rate.

A small charge will be made for entrance to all monthly meetings as a contribution to hire of the venue, refreshments and cost of the speaker.

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### 7. Asset register

The Treasurer will maintain an asset register which records all assets held, along with date of purchase, the purchase price, an estimated current value and where the asset is held. All assets are fully expensed at the time of purchase.

The register is to be reviewed annually by the committee.

### 8. Reserves

CVu3a aims to keep a level of reserves that will cover six months of regular operating activity (excludes any payments for interest group's activities which must be covered by the relevant interest group participants). This is in accordance with u3a national body's Reserves Policy.

The level of reserves should be reviewed annually when setting the following year's membership fee.

This policy was adopted by the trustees on: **9 February 2023**

Signed:

Print name: Margaret Chumbley

Committee role: Chair

Signed:

Print name: Alison Waple

Committee role: Treasurer

**POLICY REVIEW DATE: 2026 and three years thereafter**