

Craven u3a Financial Policy

Category: Finance

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.

A Financial Policy may simply be a documentation of the current unwritten procedures of a u3a, from which a more detailed policy may evolve.

3 Trustees’ financial responsibilities

The trustees of CRAVEN u3a are responsible for:

- Safeguarding the financial 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).
- Preparing Financial Reports 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 the 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 given to all trustees on their election/appointment to the committee and made available to members on the website.

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

4 Banking

4.1 Bank accounts

- All bank accounts are in the name of CRAVEN u3a and operated by the trustees. New accounts e.g. Skipton Building Society 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 at least two of the current mandate holders.

- The authorised mandate holders are the Chairman, Vice Chairman, Secretary and Treasurer and/ or other Trustees. Other mandate holders can be appointed with approval of The Treasurer and Chair.
- All payments are to be authorised by two trustees.
- The signatories are responsible for examining the payment documentation (purchase invoice etc.) prior to authorising an internet transfer.
- Bank statements should be downloaded by the Treasurer regularly.

4.2 Online banking

Where online operation of the bank accounts is in place only those approved by the committee will have access to this facility. The security of the online system is in line with the arrangements offered by Barclays and in accordance with the mandated approval.

4.3 Personal debit or credit cards

The use of personal debit or credit cards for interest group activities should be avoided if possible. Where there is no other viable way to make payments, the protocol for their use should be sought from the executive committee (EC).

It is the policy of Craven u3a not to purchase equipment. Prior approval must be given by the committee for equipment and other items to be purchased for the use of CRAVEN u3a or specific interest groups. In these circumstances, it may be appropriate for a member to purchase the equipment for themselves and then claim the cost as a personal expense claim.

5 Groups' finances

Interest groups 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 ring-fenced funds held by the u3a on their behalf, as appropriate. The Treasurer, Group Leaders' Representative, Group Leaders should keep records of the groups 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.

THE ARRANGEMENTS AND USE OF ANY MONEY COLLECTED BY GROUPS SHOULD BE EXPLAINED TO THE GROUP MEMBERS AND THE CRAVEN U3A TREASURER

5.1 Receipts

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

- Bank paying in slips and business deposit cards will be given to group leaders for this purpose.
- Group leaders may pay sums collected by paying online through their own bank account.
- Group leaders should forward to the treasurer, by email, copies of receipts or screenshots of BACS payments.
- Receipts will be acknowledged by email.
- Where net sums are being paid over this needs to be fully demonstrated to the Treasurer.
- Cash float amounts should be supplied to the craven u3a treasurer at the 31st March each year.

5.2 Payments

The EC will agree with relevant group leaders the process for payments paid directly from the u3a Bank Account.

- Direct payments may be for:
 - Venues
 - Events
 - Coaches
 - Tutors
 - Speakers
 - Others - by agreement with treasurer

Outside speakers should be asked to state their fees and any travel costs at the time of booking.

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.

5.3 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 of Group Leaders.

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.

5.4 Payments to other charities

In line with charity law, a u3a cannot raise funds for another charity that does not have similar charitable objectives. However CRAVEN u3a will make payments to speakers who have indicated that they intend to donate their fee to a specific charity or allow groups who wish to donate some surplus collected by members to a charity of their choice.

6 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 “on line” with photos of receipts attached to online form. Expense claims can be authorised by the Treasurer, Chair, Vice Chair and Secretary. No committee member should authorise their own claim. All payments will be via BACS with dual authorisation. Expenses will include – with committee approval – attendance at the Trust’s AGM and Conference or national/regional workshops. Committee members may make purchases up to the value of £50 without prior approval by the committee.

Claim forms are available from the Treasurer, and should give sufficient detail as to the nature of the expense and provide bank details.

Overnight accommodation will only be allowed in exceptional circumstances and will need the prior agreement of the executive committee.

7 Membership Fees and membership of more than one u3a

The membership fee is reviewed on an annual basis. CRAVEN u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members. CRAVEN u3a offers a system whereby the membership fee can be adjusted for those who have been shown to be suffering financial hardship.

For u3a members who can evidence membership of another u3a, CRAVEN u3a will reduce the cost of membership by the amount that is paid to the Trust for each member.

8 Assets

It is the policy of Craven u3a not to purchase assets. Equipment that group leaders consider necessary for the running of their group should be claimed as an expense.

9 Reserves

CRAVEN 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.

Related documentation

Third Age Trust Financial Policies Template 2025

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