Totnes u3a Financial Policy

1. Committee Members' financial responsibilities

The Committee Members of Totnes u3a are responsible (through the Treasurer) 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 and ensuring they are adequately "audited".
- The accounts should show a true and fair view of the state of affairs of Totnes u3a.

Committee Members are jointly responsible for keeping full financial records. These include those of Totnes u3a and all the interest groups, sub-groups etc, where appropriate.

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

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

This policy was developed in January 2026 based on the Third Age Template Ref U3A-KMS-POL-003 dated 3/4/19 and with reference to the Constitution and current practices of Totnes u3a.

The policy will be kept under review and revised annually in April prior to the AGM.

2. Banking:

2.1. Bank accounts:

- Totnes u3a operates a Lloyd's Bank business account (number: 37022968; Sort code: 77-10-07) and is the responsibility of the Committee Members.
- New accounts may only be opened by a decision of the Committee Members, which must be minuted.
- Changes to the bank mandate may only be made by a decision of the Committee Members, which must be minuted.
- Only Committee Members can be authorised to sign cheques or operate online banking.
- There must be at least three authorised cheque signatories. These must be the Treasurer, Deputy Chair and at least one other Committee Member(s) as agreed by the Committee. This responsibility cannot be delegated.
- The Committee Members authorised to operate online banking are the Treasurer and Deputy Chair. This responsibility cannot be delegated. Other Committee Members can be authorised by decision of the Committee.
- All cheques must be signed by two signatories.
- Operation of the online banking service is under the control of the Treasurer and the accounts and bank statements are reviewed annually by an auditor (who is not a Committee Member) and the Committee prior to the AGM.
- The signatories are responsible for examining cheques for accuracy and completeness before signature.
- The signatories are responsible for examining the payment documentation (purchase invoice etc) prior to signing the cheque or authorising an internet transfer.

- All 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.
- All bank accounts will be reconciled monthly by the Treasurer.

2.2. Payment by Totnes u3a debit or credit cards:

Totnes u3a currently does not hold any business debit or credit cards.

The approval of the application for any such cards should be made by the Committee and minuted.

2.3. Use of Personal debit or credit cards:

The use of personal debit or credit cards for Totnes u3a general or specific interest group activities is discouraged.

Prior approval must be given by the Committee for equipment and other items to be purchased for the use of Totnes u3a or specific interest groups (and any equipment purchased must be recorded in the asset register). In these circumstances, it may be appropriate for a member to pay themselves, after authorisation, and then claim the cost as a personal expense claim.

Wherever practical invoices/receipts should be issued in the name of Totnes u3a.

2.4. Cash:

- Receipts and payments in cash by the Treasurer and the use of cash floats should be kept to a minimum to reduce the risk of loss or theft. The maximum amount of petty cash held by the Treasurer is suggested to be £50.00.
- The payment of subscriptions by cash is actively discouraged.
- Whenever practical two people should be involved in counting cash receipts. A detailed record of all cash receipts and payments should be made and handed to the Treasurer along with the cash for banking as soon as possible.

3. Payments:

All payments to Totnes u3a should be documented either by use of BACS directly into the bank account, the retention of bank deposit slips for cheques or receipts for cash payments.

The use of cash is actively discouraged.

3.1 Membership subscriptions:

Membership Subscriptions are set annually by the Committee. At the time of writing these are £17.00 for individual membership; £30.50 for joint membership and £8.50 for associate membership (i.e. a member of another u3a who wishes to retain that membership but also be a member of Totnes u3a.

Subscriptions are due on 1st May annually and run for a year.

Where members join between the 1st November and the 28/29th February, the subscription shall be half the annual fee.

When new members join after the 1st March, they are given 14 months membership for the annual subscription.

3.2 Miscellaneous income:

The only other major source of income is from monies paid in for trips away. Such trips should be self-funding. Ideally bookings should not be made until all attendees have paid in advance. If members do not attend the planned trip, they forfeit their money unless the tickets can be sold on to other members.

Visitors to monthly group meetings or on trips are welcomed for the payment of £2.00 each per event, to cover the insurance, plus any known bank charges for the payment method chosen, and the payment of any relevant expenses for the trip where relevant. Any fees should be paid asap to the Treasurer for banking.

Other miscellaneous income should be documented in the annual accounts.

4. Expenses:

Interest Group finances are to be managed as item 7 below. All other expenses should be cleared with the Treasurer before payment and ratified by the Committee.

While payment may be made to cover clear and attributable costs, no donations may be made from Totnes u3a expenses to any other group, whether a charity or not. (This does not prevent u3a members from making donations, but any such must be made by them in a purely personal capacity.)

Expenses agreed should have the potential to be for the benefit of the whole membership.

All trips organised must be planned with the intention of being self-financing, as documented above.

An annual tea party and Christmas lunch for members will be organised and the refreshments should be purchased within a pre-agreed budget. No guests, i.e. non-members, should be allowed to attend these two events.

Re-payments for agreed expenses are made by the Treasurer through the bank account, or by cheque, in response to a formal receipt or invoice. These should be kept and submitted to the auditor annually.

5. Speakers costs:

Speakers' costs should be agreed in advance by the organiser, in accordance with the budget previously agreed by the Committee. (The budget at 2026 is £1,000 pa for 10 speakers.)

Speakers' costs can include their charge and/or out of pocket expenses, but not donations, to ensure compliance with item 4 above.

Speakers should be asked to submit a receipt, or an email thread may be used to document payment.

6. Reserves:

The Committee shall review the reserves annually prior to the AGM and agree on a minimum, on advice from the Treasurer. The reserves held should be in the region of 6 to 12 months running costs, having regard to known liabilities and those which might be reasonably anticipated.

7. Interest 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.

The funds of these groups belong to Totnes u3a, but are managed by the Group leader.

Groups are permitted to make any expenditure deemed necessary by the group members and the group leadership.

The group leader must submit a statement (on the designated form) to the Treasurer by 15th December detailing the income and expenditure for the group for the financial year.

These forms:

- Allow the Treasurer to keep accurate accounts for presentation to the auditor and the AGM, for discussion with the Committee Members 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.

Any funds held in excess of the £100 on that date (15th December) must be transferred to the Treasurer. These funds are held, ring-fenced, for the next financial year. The group leader can withdraw money on request from the ringfenced funds (if any) held by Totnes u3a on their behalf, during the next financial year. Thereafter, if not reclaimed, the balance is transferred to the Totnes u3a account

7.1. Receipts

Group leaders should:

- keep cash held to a minimum for efficient management of the group.
- transfer excess funds into the Totnes u3a bank account and notify the Treasurer by email that they have done so. Such funds will be ring-fenced for the full next financial year as above. They can be re-claimed at any time.

A detailed record of all the cash receipts and payments making up the total should be made and the summary be sent to the Treasurer at year end, as stated above.

7.2. Payments

Money collected by group leader from group members belongs to Totnes u3a. No payments may be made for anything other than bona fide group expenses, in full compliance with item 4 above and no money may be paid to any u3a member, either as a donation or for services, e.g. teaching, travelling, etc without the express permission of the Committee.

8. Asset register:

An asset register is to be maintained by the Treasurer which records all assets held, including their initial purchase price, date of purchase, 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 to be reviewed annually.

July 2026