

## Lyme Regis u3a

### Finance Policy

#### **1. Trustees' Financial Responsibilities**

The Trustees, individually and collectively are responsible for ensuring that:

- a. The assets of the charity are safeguarded.
- b. The risk of loss, waste, theft and fraud is identified and managed.
- c. The financial reporting is robust and of sufficient quality.
- d. Financial records are kept in accordance with all relevant legislation.
- e. Annual accounts are prepared in accordance with all relevant legislation.
- f. The financial procedures detailed below are followed and full financial records are maintained.

Each Trustee is a member of the Committee which meets 3/4 times a year to review the performance of the organisation and takes collective decisions as necessary.

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

The policy will be reviewed prior to the AGM each year and revised as necessary.

#### **2. Banking**

- a. All bank accounts to be in the name of 'Lyme Regis u3a'.
- b. New accounts to be opened only after a decision by the trustees, which must be minuted.
- c. The authorised signatories are the Chair, Vice Chair, Secretary and Treasurer.
- d. All cheques must be signed by two signatories who must check that adequate documentation has been provided and that the cheque is complete and accurate.
- e. Blank cheques will never be issued.
- f. Cheques with one signature for another to complete will only be issued under exceptional circumstances and only when approved by the Treasurer.

#### **3. Online Banking**

- a. Only the Treasurer is authorised to generate online payments. Prior to raising an online payment the Treasurer must receive an order or confirmation in writing from a trustee. For any transactions above £100.00 there must also be at least a verbal agreement from the Chair, Vice Chair or Secretary in case a request is part of a scam. All conversations to be documented.
- b. Online payments are not to be made via a mobile phone under any circumstances to assist in the prevention of fraud and to help to provide accurate records.

It is the intent of this u3a to introduce dual online authorisation. When this is introduced, this policy will be amended.

#### **4. Payment by bank cards**

- a. The issue of any bank card will only be with the minuted approval of the trustees and only in the name of 'Lyme Regis u3a'.
- b. The trustees will predetermine the spending limits for any card.
- c. Prior to using any card to make a payment an order or authorisation must be received as would be required when raising an online payment.
- d. All cards are to be held by the Treasurer.

#### **5. Personal bank cards and personal payments**

- a. When personal bank cards are used to pay on behalf of the u3a the costs will only be reimbursed if valid receipts / invoices are given to the Treasurer.
- b. For purchases exceeding £20.00 made by members on behalf of the u3a the preferred methods of payment are by cheque, card or bank transfer.

#### **6. Petty cash**

- a. Cash payments should only be made if less than £20.00 and payment by cheque, card or bank transfer is not possible.
- b. Lyme Regis u3a operates an imprest system for petty cash and £25.00 is currently held.
- c. When cash is paid or received entries will be made in the appropriate ledgers.
- d. When the cash held exceeds £25.00 the excess is to be paid into the bank and when the value held is less the necessary cash is to be withdrawn from the bank to restore the £25.00.

#### **7. Receipts**

- a. Whenever payments are made into the 'Lyme Regis u3a' bank account by other than the Treasurer, the Treasurer must be informed in writing.

#### **8. Payments**

- a. All hall rental charges should be made by cheque or bank transfer whenever possible.
- b. Outside speakers should be asked to state their fees and any travel costs at the time of booking and payment should be made by cheque or bank transfer whenever possible.
- c. All purchases of equipment and services must be approved by the Committee in advance and payment made by cheque or bank transfer.

#### **9. Expenses policy**

- a. For all items regarding expenses refer to the 'Expenses Policy' which is available on the Lyme Regis u3a website.

#### **10. Group finances**

- a. Interest groups may apply to the trustees for an annual grant to help cover expenses, but are otherwise expected to be self-financing. The annual grant is

currently up to £50.00 per group. All claims are to be made in writing to the Groups' Co-ordinator with receipts, and once accepted the Groups' Co-ordinator is to pass the documentation to the Treasurer for payment.

- b. Groups can collect such sums of money from their members that their members and leadership deem to be necessary to undertake their activities.
- c. The funds of each interest group belong to that respective group.
- d. Group leaders must maintain a record of all monetary transactions above £20.00 in value.
- e. All group leaders to provide the Groups' Co-ordinator and Treasurer with details of how money is managed within the group.

#### **11. Social activities**

- a. Events such as theatre trips, visits or educational days must be charged at cost and all participants must pay accordingly, preferably before the event.
- b. The costs paid by members for all trips etc. must cover all out-of-pocket expenses.
- c. The organiser of an event must not benefit from any discount offered by the organisation providing the event. The value of all free places must be shared out among all participants.
- d. Out-of-pocket expenses can be paid to an organiser out of the money collected for the event subject to the Treasurer being provided with a full record of all incomings and outgoings and all appropriate receipts.
- e. As all u3a members offer their services free to the movement, the organiser(s) must not receive any pecuniary reward for organising an event.

#### **12. Payments to other charities**

- a. In line with charity law, a u3a cannot raise funds for another charity that does not have similar charitable objectives.
- b. Lyme Regis u3a will make payments to speakers who have indicated that they intend to donate their fee to a specific charity but not direct to their nominated charity.

#### **13. Membership fees**

- a. Membership is offered on an annual basis from 1<sup>st</sup> January each year.
- b. The membership fee is reviewed on an annual basis by the trustees.
- c. Lyme Regis u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members.
- d. A reduced membership fee will apply for members joining after 1<sup>st</sup> September each year.
- e. There is a reduced membership fee for those who are currently full members of another u3a organisation.

#### **14. Asset register**

- a. An asset register is to be maintained by the Treasurer.
- b. The asset register is to include all assets held, including their initial purchase price, date of purchase, estimated value and custodian subject to records being available.

- c. The register is to be reviewed annually.
- d. The value of all assets is to be estimated by straight-line depreciation over four years.
- e. It should be noted that under a receipts and payment system, all assets are fully written off against receipts in the year of purchase.

#### **15. Reserves**

- a. Lyme Regis u3a aims to keep a level of reserves that will cover one year of regular operating activity.
- b. Social events are excluded from this figure as these are entirely self-financing.

#### **16. Prevention of fraud**

a. Scamming is now very common and all trustees should treat all communications with suspicion and examine them for any irregularities. Such irregularities might include any or all of the following issues:

- the use of false e-mail addresses or email addresses that suggest, through spoofing, that they come from a legitimate source (including other u3a members or Committee members). Email addresses can often be checked by hovering the mouse pointer over the address which may show a different address from the one the email appears to come from.
- pressure to act quickly
- requests that are unusual because they:
  - are for unapproved, non-routine or non-specified expenses
  - are at strange times when payments would not normally be expected such as public holidays or when the u3a is less active
  - are for large amounts of money,
  - have come through unusual means
  - are poorly spelt or contain grammatical errors in mail or email requests
  - contain threats for non-payment.

All of the above apply regardless of the method of communication which could be telephone, mail, text, email or any other application such as WhatsApp, Messenger, etc. all of which have been known to be used in attempted scams.

**Review date:** The policy will be reviewed prior to the AGM each year and revised as necessary.

25 February 2022