



LEDBURY & DISTRICT u3a

Financial Policy and procedures

This document defines the processes that Ledbury & District u3a will use for its financial matters. The policy is based on the Third Age Template ref. U3A-KMS-POL-003 to meet the needs of Ledbury & District u3a.

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

1. Trustees' Financial Responsibilities

1.1 Trustees

The Trustees of Ledbury & 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 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.

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

1.2 The Treasurer's Role

The Treasurer's role for a Ledbury & District u3a includes:

- Maintaining the financial records in accordance with the u3as's published financial policies
- Maintaining the financial records in accordance with the applicable charity law and statute
- Managing the bank accounts in accordance with the financial policies
- Preparation of accounts and budgets
- Preparation of the annual accounts for the AGM, publication and filing
- Ensuring that an Asset Register is maintained

2. Banking

2.1 Bank Accounts

- All bank accounts are in the name of Ledbury & District u3a and operated by the Trustees.
- New accounts may only be opened by a decision of the trustees, which must be minuted.



LEDBURY & DISTRICT u3a

- Changes to the bank mandate may only be made by a decision of the trustees, which must be minuted.
- All payments must be approved by at least two signatories (one normally being the Treasurer).
- The authorised signatories shall be Treasurer and Business Secretary plus up to four additional Trustees as agreed by the committee.
- 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.

2.2 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 NatWest 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 Executive Committee and in accordance with the bank mandate. All payments are authorised in accordance with the bank mandate. Access to the online accounts (Bankline) will be by logging on to the bank system with a personal password and access code plus card reader and personal access card.

2.3 Personal Debit or Credit Cards

On occasions if a member has to use their own credit or debit card when arranging activities on behalf of the u3a the transaction should be agreed with the Treasurer before the member incurs the expense. These transactions (or expenses) will be reimbursed on receipt of an expense claim.

The use of personal debit or credit cards for interest group activities will be closely managed. Permission must be sought from the Executive Committee or Treasurer where a group feels that there is no other viable way to make payments.

Prior approval must be given by the Executive Committee for equipment and other items to be purchased for the use of Ledbury & 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. However, this process is discouraged and should be avoided if possible or minimised at least.

3. Accounts

3.1 Group Finances

The Executive 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 Executive Committee will review as to whether the group is legitimately operating in line with the insurance and financial requirements.



LEDBURY & DISTRICT u3a

3.2 Group Finance Records and Reporting

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 the u3a. Groups are permitted to make any expenditure deemed necessary by the group members. Group Leaders, or nominated person with the group, needs to keep and submit adequate records of the group income and expenditure using the Ledbury & District U3a Group Income Form / Claim for Reimbursement for Exceptional Expenses form. These records are necessary 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

Fees for Groups meeting in paid for venues should be collected per session. For those Groups not in paid for venues, fees may either be collected and submitted annually or per session. Meeting fees should be paid in to the Treasurer at least quarterly. Payments may be made by bank transfer, personal cheque or cash.

Items that may be excluded from Group finance reporting include:

- a) Expenditure on light refreshments e.g. tea, coffee, does not need to be reported if paid for separately.
- b) 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.

3.3 Receipts

To manage the handover of cash and cheques to be paid into the Ledbury & District U3a bank account the Committee has decided that:

- Bank paying in slips will not be given to Group Leaders for this purpose
- Group Leaders may pay sums due by issuing their own cheque, paying online through their own bank account or cash
- A copy of receipt will normally be sent by email to Group Leaders or the nominated person paying in funds, or by hand or post when appropriate.

3.4 Payments

Paid for Venues

Room Hire bookings are normally made by the Groups Co-ordinator and should be in the name of Ledbury and District U3a. Invoices should be sent directly to the Treasurer for payment.

The Committee will inform relevant Group Leaders in writing the approval process for payments relating to:

- When a trip or event is organised by and paid through the u3a
- Trips and holidays involving more than 24 hours must be booked and paid for by members through a registered tour operator which can be the local u3a
- When payments may be deducted from activity revenue
- When payment for venues, coaches, tutors, speakers etc must be paid by the u3a (the Treasurer)



LEDBURY & DISTRICT u3a

The Committee should agree or otherwise to the use of any paid tutors for Groups. If approved the proposed tutor must provide evidence of their self-employed status (if applicable), state their fees and any travel costs at the time of booking, and invoice appropriately after the activity. Where a paid tutor is hired for activity classes, they need to provide evidence of holding Public Liability Insurance.

3.5 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.

4. Statutory Reporting

Every charity needs to keep accounting records and produce annual accounts. The Statutory Authority for Ledbury & District u3a is the Charity Commission for England & Wales

5. General Reporting

The Treasurer is responsible for maintaining financial records and will submit regular updates to the Committee. Records will be kept on Beacon. Accounts will be kept on a payments and receipt basis. The Financial Year is 1st September to 31st August.

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

6. Reserves

Ledbury & District u3a aims to keep a level of reserves that will cover 12 months of regular operating activity (£3000). This is considered by the Committee a reasonable level for this type of charity.

7. Other Points

7.1 Payments to Other Charities

In line with charity law, a u3a cannot raise funds for another charity that does not have similar charitable objectives.

Ledbury & District u3a can 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.

7.2 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 to the Treasurer with receipts. Authorised signatories are stated in Section 2.1. 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.



LEDBURY & DISTRICT u3a

7.3 Membership Fees and Membership of More Than One u3a

Ledbury & District u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members. An 'Associate Membership' is available for those who already belong to another u3a.

7.4 Asset Register

An asset register will be maintained by the Treasurer which will record all assets held including their initial purchase price, date of purchase, estimated nominal value and location. The register will be reviewed annually.

7.5 Gift Aid

Members are encouraged to sign up for Gift Aid if appropriate. Gift Aid is claimed back from HMRC annually.

7.6 Procurement Process

For any procurement of a large value (above £1,000) 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 EC 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 EC and accepted by them. Prior to the final actual commitment the EC must approve the proposed conclusion.

8. Investments

8.1 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.

8.2 Investment of funds will be with main banks or building societies and the Charities Official Investment Fund (COIF) and not in stocks, shares, gilts or bonds.

8.3 All individual investments must be approved by the Committee.

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

This policy was adopted on 18 March 2026 and will be kept under review and revised when necessary (At least every 3 years).