

Tavy District u3a Financial Management Policy

This policy has been developed with reference to the Charity Commission publication CC8, Internal Financial Controls for Charities and the associated self-assessment checklist. As Tavy District u3a is a relatively small charity with no paid staff, the controls are simpler than they would be in a larger organisation.

Responsibilities

The Treasurer is responsible for ensuring that the finances of Tavy District u3a are managed in accordance with this policy. The Treasurer of the Events Committee operates the Events Account. The Treasurer operates all other accounts.

Budgeting

A budget will be presented to the committee for approval in November for the following calendar year. The Treasurer may authorise expenditure without further reference to the committee providing it is broadly within the budgeted figures. Any exceptional additional expenditure must first be authorised by the committee.

Cashflow

The Treasurer will maintain monthly records of the cash totals in the Tavy District u3a accounts and will report those figures in comparison with the previous year at every committee meeting.

Annual accounts

Draft accounts will be presented to the committee at the January meeting. Once approved by the trustees, these will be audited by an Independent Examiner, who will complete a report using the Charity Commission template. A copy of the draft accounts will be available for all members who attend the AGM and members will be asked to approve those accounts at the AGM.

Membership fees

The Treasurer will recommend to the committee at their November meeting the level of membership fees for two years ahead. The committee's recommendation will then be put to the AGM for their approval.

Receipts

Cash and cheque receipts will normally be recorded immediately on receipt. All receipts are banked, giving an auditable paper trail. Guidance for Group Leaders makes it clear that all significant receipts and expenditure should be made through the main Tavy District u3a accounts and that all funds received and equipment purchased remain the property of Tavy District u3a.

Payments

All payments are made by cheque or by bank transfer, giving an auditable paper trail. Documentary evidence in the form of an invoice or completed claim form (along with receipts) is required before payments are made. Two signatories are required for every cheque; one of these should normally be the Treasurer. Blank cheques without an intended payee are never signed. Signatories are the Chair, Secretary and Treasurer of Tavy District u3a together with the trustee who is the representative of the Events Committee. Two authorisations are also required for approval of every electronic bank transfer and those entitled to authorise electronic bank transfers are limited to the cheque signatories.

Record keeping

Financial records are kept using the Beacon system, which provides securely encrypted cloud storage. Access privileges are controlled by the Beacon Administrator, who will restrict access to those who need it to carry out their role within the u3a.

Bank accounts

Details of transactions on all bank accounts are kept on the Beacon system. Monthly reconciliations are carried out on current accounts and the Independent Examiner is able to cross check the records against the bank statements. The Treasurer may open additional accounts from time to time to take advantage of interest-bearing accounts. Any additional accounts opened will all require two signatories to access funds.

Expense claims

Members who make purchases on behalf of Tavy District u3a may reclaim their costs by completing an expenses claim form and submitting this together with receipts. There is no restriction on the use of personal credit cards providing receipts are produced. There is an agreed rate of 5p per copy for home printing/photocopying and 30p per mile for car travel on Tavy District u3a business.

Gift Aid

The Treasurer will make an annual Gift Aid reclaim. Our membership form and the facility to join online through Beacon both contain a declaration that is consistent with HMRC requirements. Members are reminded every year to inform the Treasurer if they are no longer a tax payer, meaning that the u3a cannot claim Gift Aid on their behalf.

Fixed assets

The Equipment Officer maintains a list of assets owned by Tavy District u3a. As Tavy District u3a owns no high value assets, purchases are not capitalised and depreciated but written off as expenditure in the year of purchase.

Reserves policy

Trustees consider that it is inappropriate to amass unnecessary reserves and consider that maintaining a credit balance of £2,500 at the lowest point of the annual cashflow cycle represents an adequate contingency reserve.

Investment policy

When current interest rates mean that opening an interest-bearing savings account would be advantageous, the Treasurer should consider non-risk offers of savings accounts that are covered by the Financial Services Compensation Scheme, e.g. from the Charity Bank. If funds allow (and taking note of the minimum savings period for that account), a savings account can be opened.

