



Financial Policy

Category: Finance





1. Policies

Each u3a is required to set down its financial policies and procedures. This document defines the processes that Bridport and District a will use for its financial matters. The policy will be kept under review (at least every 3 years) and revised as necessary. A copy of this document will be given to all Trustees on their election/appointment to the Executive Committee.

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

Definitions:

“Trustees” includes Board of Trustees, Board of Directors, or Executive Committee members.

Group Leaders: These are members who coordinate the various groups activities.

2. Trustees 'Financial Responsibilities

2.1 Trustees

The Trustees of Bridport and 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 governing document (eg 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.

2.2 The Treasurer's Role

The Treasurer's role for Bridport and District u3a includes:

- Maintaining the financial records in accordance with the u3a'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





3. Banking

3.1 Bank Mandate

A separate bank mandate document has been developed and is referenced in Section 10. The signatories are the Treasurer, Business Secretary and the Membership Secretary.

3.2 Bank Accounts

- The bank account is in the name of Bridport and District u3a and operated by the Trustees.
- New accounts 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 the trustees, which must be minuted.
- All payments must be approved by the Treasurer or in the absence of the Treasurer by one of the bank account signatories.
- The authorised signatories shall be Secretary and Treasurer and one other Trustee. This responsibility may be delegated where circumstances dictate (e.g. holiday cover).
- 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.
- Whenever practical two people should be involved in counting cash receipts.

3.3 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 HSBC Business Banking 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 HSBC online accounts is by logging on to the bank system with an access code generated by the banking app.

3.4 Payment by Bank Cards

These are not currently used by Bridport and District u3a. A paying in card is used for paying in small cash amounts.





3.5 Personal Debit or Credit Cards

Prior approval must be given by the Executive Committee for equipment and other items to be purchased for the use of Bridport and 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.

4. Accounts

4.1 Group Finances

While this section is titled Groups 'Finances the following policies will apply to activities that are organised for the u3a's wider membership, for example regarding Outings or Speakers. Therefore, the term Group Leader shall cover, for example, Trip Organiser or similar.

Group Leaders need to maintain records, as agreed and report to the Treasurer if requested.

4.2 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. The Group Leader/s records will be adequate to:

- 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 £200 and may vary by activity.

Items that may be excluded from Group finance reporting include:

- Expenditure on light refreshments e.g. tea, coffee, does not need to be reported if paid for separately.
- 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.
- Holidays booked directly through a travel agent/tour company/hotel with individual members paying the provider direct. If it is easier, the organiser can collate and post the individual cheques to the provider.

4.3 Receipts

To manage the handover of cash and cheques to be paid into the Bridport and District u3a bank account the Executive 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 paying online through their own bank account.
- Where applicable receipts will need to be given to Group Leaders or acknowledged by email.



- Where net sums are being paid over this needs to be fully demonstrated to the Treasurer by a receipts and payments statement.
- Cash held back for cash flow purposes will be within the u3a's approved limits (they will vary by activity).

4.4 Payments

The Executive 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, speakers etc must be paid by the u3a (the Treasurer).

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

4.5 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.

5. Statutory Reporting

Every charity needs to keep accounting records and produce annual accounts. The Statutory Authority for Bridport and District u3a is the Charity Commission for England & Wales Further information can be found on the Trust website in Finance Matters – Guidance (see References).

6. General Reporting

The Treasurer is responsible for maintaining financial records and will submit regular monthly accounts to the Executive Committee. Accounts will be kept on a payments and receipt basis. All financial records and receipts shall be kept for a minimum of six years. This includes Gift Aid declaration data.





7. Reserves

Bridport and District u3a aims to keep a level of reserves of £10,000-£12,000 that will cover approximately 1 year of regular operating activity. This is considered by the Committee a reasonable level for this type of charity.

8. Other Points

8.1 Payments to Other Charities

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

Bridport and 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.

8.2 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 with receipts. Authorised signatories are stated in Section 3.1. 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.

8.3 Membership Fees and Membership of More Than One u3a

Each u3a will determine its own form of membership classes. The membership fees will be reviewed on an annual basis.

Bridport and District u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members. For u3a members who can provide evidence membership of another u3a, Bridport and District u3a will reduce the cost of membership by the amount that is paid to the Trust in membership fees (the capitation fee) for each member (but not for Beacon).

8.4 Asset Register

An asset register is maintained by the Treasurer which records all assets held costing over £200 at purchase including their initial purchase price, date of purchase, estimated nominal value and location. The register will be reviewed annually.

Assets will be written off in their first year.

8.5 Gift Aid

Bridport and District u3a will follow the advice of the Third Age Trust regarding Gift Aid.

8.6 Card Readers

Bridport and District u3a does not use a card reader.





8.7 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 (Executive Committee) 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.

Any commitment below the figure above can be single sourced but the EC should still approve the award recommendation.

9. Investments

Bridport and District u3a does not make investments.

10. References

Bridport and District u3a has other financial documents in place. These are:

Link - [u3a website](#)

Link - [Finance Matters Guidance](#)

Link - [Gift Aid Guidance](#)

Bank Mandate - [add reference](#)





u3a	Financial Policy Template - u3a-KMS-POL-003	The Third Age Trust
Version	Description of changes	Date
4.0	Content update	04/2025
3.0	Updated formatting	15/04/2022
3.0a	Updated formatting	03/02/2026

