

1. Financial Policies

This document defines the processes that Biddulph U3a 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 Biddulph U3a will manage all the organisation's financial affairs. The Trustees are accountable to the Membership for any non-compliance with this policy.

2. Trustees' Financial Responsibilities

2.1 Trustees

The Trustees of Biddulph 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 (Constitution) and relevant legislation (Charities 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 Biddulph 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

The Treasurer will have sole responsibility for day to day management of the bank accounts. The Treasurer will be responsible for the payment of bills and for managing payments into the bank account as instructed by the Committee. The Treasurer will be assisted in these duties by the Membership Secretary who will deal with the process of new and renewing memberships. Other nominated Trustees will be required as signatories to the account. Two Trustees (one will usually be the Treasurer) will need to sign any outgoing cheques or to authorise any BACS payments before the Treasurer can take funds out of the account.

The nominated signatories will be Treasurer, Chair, Secretary, Vice Chair plus any other member of the Committee as approved by the Committee. No Trustee is able to approve spending on an individual basis. The entirety of the Committee is responsible for agreeing to any spending.

3.2 Bank Accounts

- All bank accounts are in the name of Biddulph 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 at least two signatories (one normally being the Treasurer).
- The authorised signatories shall be Chair, Vice Chair, Secretary and Treasurer and/or other Trustees as above. 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 a BACS transfer).
- All bank statements must be available for the Treasurer and other Trustees as requested.
- 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) in order to monitor the operation of the accounts by the Treasurer. The security of the online system is in line with the arrangements offered by TSB 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.

3.4 Payment by Bank Cards

The issue of any bank debit or credit card in the name of Biddulph U3a will be approved by the Executive Committee. The use of any cards is only permitted after full and proper authorisation by the Committee. The dual control aspect of the payment authorisation process must still be in place before the Treasurer is permitted to use the card in recognition that online purchases for certain goods and services represents the most effective, and in some cases, the only method of completing the purchase (e.g. theatre tickets). The Executive Committee will predetermine the spending limits for any card.

Biddulph U3a currently holds NO business debit/credit cards but if this situation were to change they will be held by the Treasurer only. All transactions made using these cards appear on the appropriate bank account (subject to the timescales for electronic banking transactions) and are subject to review by the Executive Committee. All such payments should be supported by some form of order confirmation or an invoice or receipt.

Only the authorised user (Treasurer) should have access to the card; the card number and PIN or security code should never be disclosed to anyone else. If Biddulph U3a has its own credit card this should be used for payments rather than a personal card.

3.5 Personal Debit or Credit Cards

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 in writing 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 Biddulph 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. The amount authorised by the Executive Committee must not be exceeded without gaining further approval of the Executive Committee.

4. Accounts

4.1 Group Finances

While this section is titled Group Finances the following policies will apply to activities that are organised for Biddulph U3a's wider membership, for example regarding outings or speakers. Therefore, the term Group Leader shall cover, for example, Trip Organiser or similar.

More detailed information can be found in the separate Group Finance Policy.

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.

4.2 Group Finance Records and Reporting

Group Leaders are responsible for the collection of subs from their group members, for its safe keeping, for paying such money into the bank and for accurately informing the Treasurer 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

4.3 Receipts

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

- Bank paying in books will be given to Group Leaders for this purpose
- Group Leaders may pay sums due by banking cash, issuing their own cheque or paying online through their own bank account, provided everything is clearly recorded for the Treasurer's information.
- Where net sums are being paid over this needs to be fully demonstrated to the Treasurer by a receipts and payments statement

4.4 Payments

The Executive Committee will inform relevant Group Leaders in writing of 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
- When payments may be deducted from activity revenue
- When payment for venues, coaches, tutors, 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 invoice appropriately after the activity. Where a paid tutor is hired for activity classes they need to provide evidence of holding Public Liability Insurance and their fees must be covered by the group involved.

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 Biddulph U3a is Charity Commission for England & Wales. Further information can be found on the Trust website in Finance Matters – Guidance (see References) or the website of The Charity Commission.

6. General Reporting

The Treasurer is responsible for maintaining financial records and will submit regular 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

Biddulph U3a aims to keep a level of reserves of £60,000 that will cover approximately 36 months of regular operating activity. This is necessary to cover the costs of the Lund House lease and other commitments in the event of Biddulph U3a becoming an unviable concern.

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.

Biddulph 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.

Members of groups from Biddulph U3a may only donate money gained from their activities on a personal basis. Biddulph U3a cannot be involved in this.

8.2 Expenses Policy

Out of pocket expenses incurred by the volunteers who are involved with running the U3a will be reimbursed (within the limits set by the EC). 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

The membership fees will be reviewed on an annual basis.

Biddulph U3a is committed to keeping the membership subscription as low as possible to ensure that the U3a remains accessible to all members.

Biddulph U3a will offer an 'Associate Membership' class for U3a members who can provide evidence of membership of another U3a. Biddulph U3a will reduce the cost of membership by the amount that is paid to the Trust in Affiliation Fees for each member (but not for Beacon).

8.4 Asset Register

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

8.5 Gift Aid

Biddulph U3a will encourage members to sign up for Gift Aid through their membership form.

8.6 Card Readers

Biddulph U3a does not currently use a card reader to take payments by credit card at our events. Should this change, it will be configured to pay directly into our bank account. The card reader may offer an option for a receipt to be sent to the payer.

8.7 Procurement Process

For any item that a group leader may deem advantageous for the running of their group but that has a cost above the normal costs that leaders are able to claim as expenses, they should provide the Committee with a written request for the necessary funding, outlining the benefits of the item. Following discussion, the Committee will support or reject the acquisition of the item.

For any procurement of a larger value (above £1,000) item at least two quotes must be obtained. 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. Agreement of the EC must be in place before the actual activity is started. If there is required to be any change to the agreed price 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.

9. Investments

- Biddulph 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.
- Investment of funds will be with main banks or building societies and the Charities Official Investment Fund (COIF).
- These are chosen as they have the funds to withstand economic pressures. The Banks and Building Societies should offer cover by the FSCS guarantee (limited to £120,000 per institution as of December 25). The COIF is not covered by the FSCS guarantee, however, it has the strength of working primarily in the charitable sector and offers no risk cash-based accounts.
- No investments will be made into stocks, shares, gilts, or bonds as the risk level would be too high.
- All individual investments must be approved by the Committee.
- The investments should be reviewed annually by the Committee, as part of the fee setting process to take account of changing economic conditions.

Biddulph u3a,
Lund House,
Lawton Street,
Biddulph.
ST8 6EX



Charity no. 1121494

10. References

Biddulph U3a has other financial documents in place. These are:

Group Finance Policy

Bank Mandate

Finance Matters – Guidance [Finance Matters Guidance 2025](#)

Charity Commission - <https://www.gov.uk/government/organisations/charity-commission>

Gift Aid Guidance - <https://www.u3a.org.uk/component/edocman/gift-aid-guidance-oct-2021/download?Itemid=0>