



## Crouch End and District u3a – Financial Policy – Draft 1

### 1 Purpose

This policy document sets out the arrangements that CEDu3a has in place to ensure that its finances are properly controlled.

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

The policy will be kept under review and revised as necessary.

### 2 Trustees' financial responsibilities

The trustees of CEDu3a are responsible for:

- Safeguarding the assets of the charity.
- Identifying and managing the 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 and relevant legislation (e.g. Charities Acts, Companies Acts etc).
- Preparing annual accounts in accordance with the governing document and relevant legislation.
- The accounts should show a true and fair view of the state of affairs of the CED u3a.

### 3 Banking arrangements

The following banking arrangements apply:

- All bank accounts are in the name of CEDu3a 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.
- The authorised signatories shall be determined by decision of the trustees. .
- CEDu3a does not hold any bank cards or issue cheques.

### 4 Making payments from the CEDu3a bank account

Arrangements for making payments from the CEDu3a bank account are as follows:

- All payments are made electronically from the CEDu3a bank account.
- Payments are set up by the CEDu3a Treasurer (or other authorised signatory where the Treasurer is not available) and approved by one other authorised signatory.



- Where a signatory is the recipient of funds (eg they are due to be re-imbursed for expenses they have incurred), they will not be permitted to set up or approve the payment.
- The signatories are responsible for examining the payment documentation (purchase invoice etc.) prior to authorising a payment.

## 5 Individuals claiming expenses

A large proportion CEDu3a payments are either made directly to organisations or other suppliers following supply of an invoice. This includes payment for venues, payments to external speakers, payments to the Third Age Trust and so on.

There are however also many occasions where members incur expenses on behalf of CEDu3a and require re-imbusement. This includes Zoom accounts, room hire (on occasions where it is easier than invoicing CEDu3a direct), purchases of food and others supplies for events, publicity and other similar materials, expenses incurred by interest groups, equipment etc. In these cases, the purchases have to be agreed in advance with the Treasurer or event organiser (where the Treasurer has agreed the budget for the event with the event organiser) or, in the case of group expenses, with the Groups Co-ordinator.

Where individuals need to reclaim expenses they have incurred on behalf of CEDu3a, they should email the Treasurer at [treasurer@cedu3a.org.uk](mailto:treasurer@cedu3a.org.uk) with details of the amount claimed and copies of relevant invoices/receipts attached. These will then be re-imbusement through the CEDu3a bank account. Reimbursement will normally be within one week although there may be delay depending on the availability of the Treasurer and other bank signatories. Where a person is claiming re-imbusement for the first time, they will need to supply bank details so they can be set up as a payee from the CEDu3a bank account.

## 6 CEDu3a income

### 6.1 Membership fees

The annual membership fee is determined by the trustees and notified to members in the November newsletter. Fees are collected from the beginning of December and provide membership rights for the whole of the next calendar year.

Membership fees will be received in the following ways:

- Via the CEDu3a Paypal account;
- As a bank transfer into the CEDu3a current account;
- By cheque made payable to CEDu3a.

The Membership Secretary will ensure that all new joiners are added to CEDu3a's Beacon database. The Membership Secretary will also notify the Treasurer when cheques received are banked.

On occasions, where members join at an Open Day or similar event, subscriptions may be paid via the CEDu3a card reader or in cash. In this case, the Membership Secretary will keep a record of the payments received on the day and notify the Treasurer after the





event. Any cash received will either be paid directly into the CEDu3a account or an equivalent amount will be paid by bank transfer into the CEDu3a account by the recipient of the cash.

The Treasurer will reconcile information on the Beacon system with the payments received via Paypal, bank transfer or cheque on a regular basis.

## 6.2 Social events

Payments for social events will be through EventBrite. The CEDu3a EventBrite account administrator will send details to the Treasurer of disbursements from EventBrite after the event has happened which the Treasurer will reconcile back to the bank account.

Where individuals who have not paid through EventBrite come to the event and it is decided that there is space for them to attend, cash payments will be permitted. A record of the cash payments received should be kept by the event organiser and provided to the Treasurer after the event. Cash received will either be paid directly into the CEDu3a account or an equivalent amount will be paid by bank transfer into the CEDu3a account by the recipient of the cash.

## 6.3 Other

There are other instances in which payments may be made for outings or for book sales at monthly meeting events. In those cases, the person organising the event will need to agree with the Treasurer the best way to collect the money.

## 7 Groups organising their own finances

A number of groups take responsibility for their own spending and income – eg wine, theatre visits, outings. In these cases, the group convener takes responsibility for paying the bills and collecting money from the group participants. Advice can be sought from the Treasurer if required.

## 8 Guidance for group conveners on group expenses, venues and access to Zoom

The Conveners' Handbook includes details of rules for group expenses, booking of venues and use of Zoom in an Appendix on Group Financial Arrangements. These can be accessed at [Appendix : Financial Arrangements | Welcome to Crouch End & District u3a \(cedu3a.org.uk\)](https://www.cedu3a.org.uk/Appendix%20Financial%20Arrangements).

## 9 Payments to other charities

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





## 10 Role of CEDu3a bookkeeper

CEDu3a has a volunteer bookkeeper appointed by the trustees. The Treasurer forwards the bookkeeper details of all payment and income received. The bookkeeper keeps records of these payments and income and reconciles them back to bank statements. If there are any errors or any other concerns about payments, the bookkeeper will inform the Treasurer.

## 11 Other record keeping

The Treasurer keeps a spreadsheet showing all payments that have been processed during the year. The Treasurer also keeps a hard copy of all receipts/invoices on which payments out of the CEDu3a bank account were based (other than Zoom receipts which are for a regular amount). Email records of all requests for payment are also kept.

All bank signatories have access to an electronic record of all payments into or out of the CEDu3a bank accounts.

Membership records are all kept on the beacon system, including method of payment of the membership fee and whether the full membership fee or a concessionary fee was paid.

An electronic copy of an asset register is maintained by the Treasurer. It records all assets held including their initial purchase price (where available), date of purchase (where available), and location where they are held. The register is reviewed annually by the Treasurer and changes reported to EC.

## 12 Budget setting and monitoring

Trustees have responsibility for setting and monitoring the CEDu3a's budget.

The budget setting report is considered by the trustees at the time they set the budget for the following year. This shows, as a minimum:

- The forecast of income and expenditure in the current year against budget.
- The forecast for the level of reserves CEDu3a will have at 31<sup>st</sup> December of the current year.
- The budget for the following financial year, including the assumptions made.
- A proposed membership fee level.
- The forecast level of reserves at the end of the next financial year if the membership fee is agreed at the level proposed.

The trustees will be responsible for agreeing the budget and the membership fee level.

The trustees will receive regular reports throughout the year showing income and spending to date and the forecast for the end of the year against budget.

The trustees can agree changes to the budget during the year. In doing so, they need to take account of any forecast over- or under-spends against the budget and also the potential implications for CEDu3a reserves.





## 13 Level of reserves

The trustees have agreed in January 2023 that CEDu3a must hold a minimum level of reserves of £10,000 which amounts to around 4 months of CEDu3a expenditure. This figure is reviewed annually by EC

## 14 Annual accounts

The CEDu3a accounting year runs from January to December. The Treasurer is responsible for putting together the accounts using their own records and those of the bookkeeper.

The accounts are subject to review by an Independent Examiner appointed at the previous year's Annual General Meeting of CEDu3a who will report to the trustees on whether they have any concerns or come across matters to which the attention of trustees should be drawn to enable a proper understanding of the accounts.

The accounts are presented to the AGM in April following the end of the financial year, together with a covering Financial Report from the Treasurer and a copy of the Independent Examiner's report to the trustees. The AGM votes on whether to approve the accounts.

Details in the accounts are then submitted to the Charities' Commission in line with its requirements for financial returns by the Secretary

