Financial Policy : Waltham Forest U3A

1. Purpose

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

Each U3a is also required to determine their own “Internal Controls” for running the charity, one of these being the Financial controls or Finance Policy. This document details the procedure that Waltham Forest u3a will use for its financial matters. The policy will be kept under review and revised as necessary. This policy is part of the governance arrangements. The Trustees are accountable to the Membership for any non-compliance with this policy. A copy of this policy will be given to all Trustees on their election to the Committee and will be made available to all members on the website.

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

2. Trustees’ Financial Responsibilities

2.1 Trustees

The Trustees of Waltham Forest 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 is elected from and by the Trustees at the Committee meeting following the AGM. The Treasurer has a one (1) year term of office and may serve not more than six (6) consecutive terms without an intervening period of at least one year.

The role of the Treasurer for Waltham Forest u3a includes:

- Maintaining the financial records in accordance with the u3as's published financial policies
- Maintaining the financial records in accordance with applicable charity law and statute
- Managing the bank accounts in accordance with the financial policy
- Preparation of accounts and budgets
- Preparation of the annual accounts for the AGM, publication and filing

The Treasurer is responsible for maintaining financial records and will submit regular (eg monthly) accounts to the Trustees. Accounts will be kept on a payments and receipt basis.

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

3. Banking

3.1 Bank Accounts

- All bank accounts are in the name of Waltham Forest 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 cheques must be signed by at least two signatories (one normally being the Treasurer).
- Blank cheques will not be issued.
- Blank cheques will not be signed by one signatory for a second to complete later.
- The authorised signatories shall be determined by the Trustees and will include the Treasurer and at least one other Trustee. This responsibility may not be delegated.
- The signatories are responsible for examining any 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).
- For online banking payments a single authoriser is able to pay invoices from an approved list of regular payees so long as the invoice is accepted. The Trustees will review and agree the authorised list periodically. For new payees the authoriser must get written agreement from at least one other trustee. In the case of the Monthly meeting speakers this being the speaker co-ordinator. If an invoice exceeds the expected amount even if on the approved list of payees the treasurer must seek clarification and authorisation from a second Trustee or the full Committee.
- Whenever practical two people shall be involved in counting cash receipts.

- Waltham Forest u3a does not currently accept card payments although bank transfers can made for membership or trips into a separate current account (the details of which are published) and the balance of which is kept below £500.

3.3 Online Banking

Online operation of the bank accounts is in place and only Trustees approved by the Committee will have access to this facility and this should be at least two Trustees.
The security of the online system is in line with the arrangements offered by Lloyds 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 Committee and in accordance with the bank mandate. All payments are authorised in accordance with the bank mandate. Access to the online accounts is by logging on to the bank system with a personal username and password and via a card reader and personal access code.

3.4 Payments

3.41 General

Prior approval by the Committee is required for equipment and other items to be purchased for the use of Waltham Forest 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.

3.42 Payments by Bank Card

Waltham Forest u3a currently holds no business debit or credit cards.

Any future application for a Bank debit or credit card must be approved by the Committee who will also predetermine any spending limits.

3.43 Payment by Personal Debit or Credit Cards

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

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. Any such payments should be supported by some form of order confirmation or an invoice or receipt.

4. Group Finances

4.1 Group Finances

While this section is titled Groups' Finances the following policies will apply to activities that are organised for our u3as wider membership, for example regarding Outings or Theatre visits. Therefore, the term Group Leader shall cover, for example, Trip Organiser or similar.

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

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 including refreshments, printing and copying and venue hire. The funds of these groups belong to the u3a but groups are permitted to make any expenditure deemed necessary by the group members and the group leadership. The Treasurer, Group Co-ordinator and relevant Group Leader/s need to agree what records they need to keep of the groups' transactions 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

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. A fee of 50p per person for each meeting is suggested as a reasonable fee for light refreshments where provided by the home owner where the venue is in members own homes.
b) Expenditure on copying or printing

4.3 Receipts

To manage the handover of cash and cheques to be paid into the Waltham Forest u3a bank account the Committee has decided that:

- Any Cheques received by the membership secretary or trip organisers will be forwarded to the Treasurer for paying in. Bank paying in slips will be retained by the Treasurer for this purpose.
- Group Leaders may pay sums due by issuing their own cheque or paying online through their own bank account
- Cash held back for cash flow purposes will be within the u3a's approved limits (this may vary according to the activity)

4.4 Payments

The Committee will inform relevant Group Leaders as to the approved process for payments relating to:

- When a trip or event is organised by and paid through the u3a
- When payments for venues, coaches, theatre tickets, speakers etc need to be paid by the u3a.

The Committee will consider any application to the use of any paid instructors or speakers for Groups. Speakers should be asked to state their fees and expenses prior to booking and approval obtained from the Committee. Where approved the proposed tutor or speaker must provide evidence of their self-employed status (if applicable) 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.

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.

4.6 Payments to Other Charities

In line with charity law, a u3a cannot raise funds for another charity that does not have similar charitable objectives. Waltham Forest u3a will 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. However payments can be made direct to a Charity where a service is provided such as British Red Cross First Aid Training.

5. 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. Expense claims will be authorised by the Committee and 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.

6. Membership Fees and Membership of More Than One u3a

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

Waltham Forest u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members.

Waltham Forest u3a has currently agreed a reduced subscription fees for couples or/and for subscription periods of 6 months or less. There is no reduction in subscription for u3a members who are also members of another u3a.

Waltham Forest u3a will claim Gift Aid where the claimant is eligible in accordance with HMRC legislation and Gift Aid rules.

7. Asset Register

An asset register will be 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.

As a receipts and payments basis is used for the Accounts Assets purchased will be written off in their first year.

8. Reserves

Waltham Forest u3a aims to keep a level of reserves that will cover approximately expenses for 6 months of regular operating activity. This is considered by the Committee a reasonable level for this type of charity.

9. Investments

9.1 The u3a has as its prime consideration that it is 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.

9.2 Investment of funds will be with main banks or building societies. These are chosen as they have the funds to withstand economic pressures. The Banks and Building Societies should offer cover by the FSCS guarantee.

9.3 No investments will be made into stocks, shares, gilts, or bonds as the risk level would be too high.

9.4 All individual investments must be approved by the Committee. These should be reviewed annually by the Committee, as part of the fee setting process to take account of changing economic conditions.

Policy Approved October 2026

Review Date October 2027

1.References

Waltham Forest u3a has other financial documents in place. These are:

Finance Matters – Guidance (u3a-KMS-DOC-033)
https://www.u3a.org.uk/all-documents/finance

Bank Mandate – held online at *https://www.lloydsbank.com/business/banking-online*

National website link - Gift Aid Guidance
https://www.u3a.org.uk/all-documents/gift-aid-guidance-march2026