



## SEATON u3a FINANCE POLICY

### 1. Policies

Each u3a is required to set down its financial policies and procedures. This document defines the processes that Seaton 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 and will be available to all members of Seaton u3a on the website.

This policy is part of the governance arrangements. It sets out the financial framework and principles within which the Trustees of Seaton 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 Seaton u3a are financially accountable for:

- a) Safeguarding the assets of the charity.
- b) Identifying and managing the financial risk of loss, waste, theft or fraud.
- c) Ensuring the financial reporting is robust and of sufficient quality.
- d) Keeping financial records in accordance with the governing document (eg Constitution) and relevant legislation (e.g. Charities Acts, Companies Acts etc).
- e) 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 Seaton u3a includes:

- a) Maintaining the financial records in accordance with the u3as's published financial policies
  - b) Maintaining the financial records in accordance with the applicable charity law and statute
  - c) Managing the bank accounts in accordance with the financial policies
  - d) Preparation of accounts and budgets
  - e) Preparation of the annual accounts for the AGM, publication and filing
  - f) Arrange independent examination of annual accounts for AGM presentation
- Ensuring that the Asset Register is updated with details of purchases



A more detailed Treasurer's Role Description can be found on the Seaton u3a website - <https://seaton.u3asite.uk/wp-content/uploads/2024/07/treasurer.pdf>

### 3. Banking

#### 3.1 Bank Mandate

Annex 1 gives full details of the bank account and bank mandate.

#### 3.2 Bank Accounts

- a) All bank accounts are in the name of U3A Seaton and operated by the Trustees.
- b) New accounts may only be opened by a decision of the trustees, which must be minuted.
- c) Changes to the bank mandate may only be made by a decision of the trustees, which must be minuted.
- d) Users of the account are set up as follows:

User by Role	Signatory Role	Internet Banking Access
Treasurer	Full Signatory	Full Access User
Chair	Full Signatory	Full Access User
Secretary	Full Signatory	Full Access User

- e) The bank requires only one signature for any action as the balance on the account is not sufficient to justify two signatures. This should be reviewed if the balance increases significantly.
- f) All bank statements must be available for the Treasurer.
- g) Blank cheques will never be issued.
- h) Seaton u3a shall not take out any loans on its own behalf nor for any other person or body.
- i) Seaton u3a shall not act as financial guarantor for any person or body.

#### 3.3 Online Banking

Where online operation of the bank accounts is in place only Trustees approved by the Executive Committee will have access to this facility (as above). The security of the online system is in line with the arrangements offered by Lloyds Bank plc 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 online accounts app is by an access code.

### **3.4 Payment by Seaton u3a Bank Card**

The issue of any bank debit or credit card in the name of U3A Seaton will be approved by the Executive Committee. The use of this card is permitted, where agreed in advance 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).

Seaton u3a holds one business debit card. This is held by the Treasurer. Only the authorised user should have access to the card; the card number and PIN or security code should never be disclosed to anyone else. The debit card will be used within the spending limits set by Lloyds Bank plc. All transactions made using this card 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. This debit card should be used for payments rather than the personal debit or credit card of a member.

### **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 Seaton u3a the transaction should be agreed by one of the three authorised users of the bank stated in paragraph 3.2 before the member incurs the expense. These transactions (or expenses) will be reimbursed on submission of an invoice or till receipt to the Treasurer with the bank details of the purchaser.

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 Seaton 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.

Seaton u3a will not be liable for any interest charged on a personal credit card when used for a purchase on behalf of Seaton u3a.

## 4. Accounts

### 4.1 Group Finances

While this section is titled Groups' Finances the following policies will apply to activities that are organised for a u3as wider membership, for example regarding Outings or Speakers. 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, at least annually. 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. The funds of these groups belong to the u3a. Groups are permitted to make any expenditure deemed necessary by the group members and the group leadership. If there should be ringfenced money on behalf of any group held in the bank account, the group can request to make a withdrawal, as appropriate. Such a withdrawal must be documented.

Items that may be excluded from Group finance reporting include (modify if required):

- a) Expenditure on light refreshments e.g. tea, coffee, does not need to be reported if paid for separately.
- b) 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.

### 4.3 Receipts

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

- a) Bank paying in slips will be given to Group Leaders for this purpose if required
- b) Group Leaders may pay sums due by issuing their own cheque or paying online through their own bank account
- c) Where net sums [amount left over after all deductions are made] 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 the approval process for payments relating to:

- a) When a trip or event is organised by and paid through the u3a
- b) 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



- c) When payments may be deducted from activity revenue
- d) 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.

#### **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. A free place does not include any place offered by a venue for a carer accompanying a member.

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**

### **5.1 Charity Requirements**

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

### **5.2 Independent Examination of Annual Accounts**

The Committee shall appoint a willing, suitably qualified or experienced person to undertake an independent examination of the annual accounts. The person appointed may be a member of Seaton u3a but must not be a trustee, a committee member nor related to them.

The independent examiner's role shall be to review the annual accounts together with supporting records and state whether anything has come to their attention that suggests that



- a) Proper accounting records were not kept
- b) The accounts do not accord with the accounting records

The independent examiner shall be entitled to see any financial records, and to seek and receive explanations from the trustees, officers and other committee members as required.

The independent examiner shall report to the Committee. They shall be entitled to attend the AGM in person and address Seaton u3a membership in person if he or she so wishes.

## 6. General Reporting

The Treasurer is responsible for maintaining financial records and will submit regular (eg monthly) accounts to the Executive Committee. Accounts will be kept on a payments and receipt basis. As it is not feasible for cash receipts to be counted by two people, details of monthly cash receipts and remittances into the bank will be notified to the Chair for review.

All financial records and receipts shall be kept for a minimum of six years. This includes Gift Aid declarations, if applicable.

## 7. Reserves

Seaton u3a aims to keep a level of reserves of £3,000 that will cover approximately 12 months of regular operating activity. This is considered by the Executive Committee a reasonable level for this type of charity. It should cover central costs payable to the Third Age Trust and also costs for monthly meetings.

## 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.

Seaton u3a can make payments to speakers who have indicated that they intend to donate their fee to a specific charity, but to the speaker and 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 and bank details. Authorised signatories are stated in Section 3.2. 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. Seaton u3a has two classes of member – Individual and Associate. An Associate Member has full membership of another u3a but can also join Seaton u3a. For u3a members who can provide evidence of membership of another u3a, Seaton u3a will reduce the cost of membership by the amount that is paid to the Trust in membership fees for each member (but not for Beacon).

The membership period runs from 1<sup>st</sup> April – 31<sup>st</sup> March. Current membership fees are published on the Seaton u3a website <https://seaton.u3asite.uk/membership/> and also on the Membership Application Form.

The membership fees will be reviewed on an annual basis. For practical reasons, the review should be held several months before the end of the membership year. This needs to allow for an Extraordinary General Meeting and also time for members to make changes to standing order payments in advance of the new membership year.

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

### 8.4 Asset Register

An asset register will be held by the Secretary which records all assets held including their initial purchase price, date of purchase, location, and date of disposal. It shall be updated with any changes as they occur.

It should be noted that under a Receipts and Payments system, all assets will be written off in their year of purchase.

The register will be reviewed annually. All assets with a purchase value exceeding £150 shall be independently checked to ensure that they are still held by the registered keeper. The asset should also be checked to ensure that it is in a safe condition to use (see Seaton u3a's Health and Safety Policy). Assets should also be assessed for their "fitness for purpose" ie whether they are obsolete or meet their original requirement. The result of the annual asset review shall be reported to the committee.

Assets shall not be loaned or hired out for use in non-Seaton u3a activities without committee approval. The Treasurer or Secretary shall ensure that there is a written agreement to cover the cost of for any loss or damage to the equipment while in the custody of the hirer/lendee. A deposit may be requested if deemed appropriate by the committee.

Where items are of no further use, beyond economic repair, or assessed as presenting a hazard, committee approval should be sought for their disposal. Any item that may contain confidential information must be disabled so such information cannot be retrieved, e.g. hard drives and memory sticks wiped or broken. Any item that is unsafe or may render Seaton u3a liable if it subsequently fails must be condemned and destroyed. Any item that is considered to have a residual value and be safe to use should be offered for sale, first to Seaton u3a members and then to the public.



## 8.5 Gift Aid

Gift Aid can only be claimed on the basic membership fee paid and requires a member declaration, which must be retained for 6 years. This can be recorded on Beacon and used to submit a claim to HMRC. The u3a must be registered with HMRC.

Seaton u3a does not take part in Gift Aid, but this will be reviewed annually.

## 8.6 Card Readers

Card readers can be used by u3as to take payments by credit and debit card. This is configured to pay directly into the bank account. Charges are incurred for use of this facility.

Seaton u3a has not explored this option at present, but it may be a facility which could be taken up in the future.

## 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 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 Executive Committee and accepted by them. Prior to the final actual commitment, the Executive Committee must approve the proposed conclusion.

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

## 9. Investments

Investment of funds will only be considered if the balance of funds in the bank account is sufficient, which is not appropriate at present. The situation will be reviewed as necessary.

## Adoption and Review

Seaton u3a will ensure this policy is kept up to date and reviewed every 3 years or whenever there is a significant change to procedures.

This policy was adopted on 15 September 2025

Policy review date: September 2028

This Seaton u3a Policy is based on the Financial Policy template of u3a Trust dated 04/2025 version 4.



**Related documentation**

Finance Matters – Guidance (u3a-KMS-DOC-033) <https://www.u3a.org.uk/members-area/support/advice-and-guidance#finance>



## Annex 1: Bank Mandate

Seaton u3a have a single bank account with Lloyds Bank plc:

Account Name: U3A SEATON  
 Sorting Code: 77-63-17  
 Account Number: 73764768

Users of the account are set up as follows:

User by Role	Signatory Role	Internet Banking Access
Treasurer	Full Signatory	Full Access User
Chair	Full Signatory	Full Access User
Secretary	Full Signatory	Full Access User

The following are descriptions of the various terms used by Lloyds Bank plc in the bank mandate:

### **SIGNATORY ROLES**

#### **Full Signatories**

Full Signatories, sometimes known as Full Power Signatories, can:

- a) make and authorise payments from the business accounts
- b) discuss the business accounts with us
- c) open and close accounts for the business
- d) apply for new products and services - extra requirements may be applicable for certain credit products
- e) change who can access your business accounts
- f) have full access to Online for Business.

#### **Limited Signatories**

Limited Signatories, sometimes known as Limited Power Signatories, can:

- a) make payments from the business accounts
- b) discuss the business accounts with us
- c) have delegate access to Online for Business.

#### **Non Signatories**

Non Signatories can:

- a) request and view information for selected accounts
- b) be a beneficial owner, partner, director, trustee or other controlling official
- c) have view-only access to Online for Business.

## **INTERNET BANKING ACCESS**

### **Full Access Users**

Full Access Users can:

- a) view accounts and transactions
- b) make online payments
- c) set up online payment controls
- d) add and remove people from the business accounts
- e) change the business details, for example update the address
- f) apply for new products and services - extra requirements may be applicable for certain credit products.

### **Delegate Access Users**

Delegate Access Users can:

- a) view accounts and transactions
- b) make online payments.

### **View Only Users**

View Only Users can:

- a) view accounts and transactions.

## **ACCOUNT ACCESS**

Approvers are set up for each account.

For example, if you have 'any two to sign' signing instructions on your bank account mandate, you'll need to have 2 full signatories to approve a change.

The additional approver does not have to be an internet banking user as Lloyds Bank plc will send the approval request by email.

Seaton u3a requires only one signatory for any action. All users can approve all actions.

## **PAYMENT CONTROLS**

Lloyds Bank offers the following ways to manage payment approval:

### **Individual payment limits**

Set a limit on how much a user can spend on a payment. If they make a payment over their limit, they'll need to get approval from someone with a larger limit.

This payment control only works for Delegate users, as account signatories can edit limits.

### **Multiple approvers for payments**

All payments will need authorisation by either two or three approvers.



You can select which users you want to be approvers. All of your users will be able to create payments for approval.

Seaton u3a has no payment controls in place.