

# FINAL DRAFT



## FINANCIAL POLICY

The Committee is responsible for:

- Safeguarding the assets of the U3A South Wales Network
  - Preventing Fraud
  - Avoiding Mistakes
  - Keeping financial records in accordance with the governing document and relevant legislation
  - Preparing Annual Accounts in accordance with the governing document and relevant legislation
1. To enable the Committee to carry out these responsibilities, the financial procedures detailed below must be always followed by all Committee members.
  2. A copy of this policy and procedures will be given to all Committee Members on their appointment to the Committee and will be available to download on the web-site.
  3. The policy and procedures will be reviewed annually by the Committee and revised as necessary.

## FINANCIAL PROCEDURES

- 1) Our Financial Year is currently the calendar year.
- 2) Name of Bankers – Lloyds Bank plc, Victoria (309897) Branch
- 3) Name of Independent Examiner – *to be appointed*

### Bank accounts

- a) All bank accounts must be in the name of the U3A South Wales Network.
- b) No account may ever be opened in the name of an individual or individuals.
- c) New accounts may only be opened by a decision of the Committee, which must be minuted.
- d) Changes to the bank mandate may only be made by a decision of the Committee, which must be minuted.
- e) All cheques must be signed by two signatories.
- f) Both the signatories are responsible for examining the cheque for accuracy and completeness.
- g) Blank cheques should never be signed.
- h) A "hard-copy" of each electronic instruction must be produced and filed by date.
- i) Copies of all bank statements must be sent to at least 2 different Executive Officers. These officers will confirm receipt of the statements to the Committee and the confirmation minuted.

- j) A debit card will only be requested for an executive officer and the request approved by the committee and the approval minuted. Statements from the issuer of the card, which will normally be our bankers, will be treated in same way as our bank statements (see para. i) above)

#### Signatories to the accounts

- i. Derek Shottin (Chairman)
- ii. David Davies (Vice-Chairman)
- iii. Michael Young (Treasurer)
- iv. (Business Secretary) *on appointment*

#### Annual Budget

- a) An annual budget, setting out the Network's financial plan for the year, will be prepared so that the Committee can approve it before the start of each financial year.
- b) The draft budget will be prepared by the following two personnel:
  - Chairman
  - Treasurer

#### Financial Reports

- a) A financial report will be prepared for every Committee meeting.
- b) The financial report will include:
  - Income and Expenditure
  - Outstanding Bank Account Balance and other outstanding assets and liabilities.
- c) Each Financial Report will be circulated to all Committee members or available on the website and discussed at the following committee meeting.
- d) The reports will be prepared by the Treasurer.
- e) The Financial Report for the financial year must be presented at the AGM

#### Accounting and other financial records

The Network will maintain a computerised accounting system which records:

- Cheques issued, received and banked
  - Electronic payments made to and received from other bank accounts.
  - Cash and other assets received.
- a) Every transaction (including electronic payments and receipts) will be entered in the appropriate book, software package or spreadsheet and will include:
    - The date of transmission
    - The name of the person the money was received from or paid to and the full amount
    - A brief description of why the money was received or paid
    - An analysis of each amount under its relevant budget heading, where applicable.
  - b) All documents relating to receipts and payments will be filed in the month they are input into the system.
  - c) A regular backup copy of the electronic records will be taken, saved to a CD ROM, Memory stick or External Drive and a copy transferred electronically to the Chairman.

## Authorisation and Payment

- a) The Chairman, Vice-Chairman and Treasurer must approve the purchase of any item over £25
- b) No Committee member or Executive Officer may authorise payment to themselves, their partner or relatives.
- c) Invoices (or other receipts) should be matched and checked.
- d) A cheque must be signed by two signatories and electronic transfer approved by two signatories.
- e) Before a cheque payment or digital transfer is made, the other signatories must be informed.
- f) No Committee Member may incur expenses without prior authorisation by the committee of Executive Officers. The request for authorisation should be sent to the Treasurer or Chairman.
- g) Once payment has been made, the invoice (or other receipt) should be marked "Paid", together with the cheque number or reference number, and date.
- h) All payments must be entered in the computerised accounting system only after being authorised.
- i) Cash will only be accepted in extraordinary circumstances, and then only by the Treasurer. The Treasurer must let the other executive officers know that a cash payment or payments have been received as soon as practicable. Details of cash received must be included, by the Treasurer, in the next report to the committee.

## Committee Members' and Executive Officers' Expenses

- a) Reimbursement of the expenses of Committee Members (who are not Executive Officers) will normally be the responsibility of u3a they represent on the committee. If a member of one of the Network u3as (who may or may not be a member of the committee) necessarily incurs expenses, outside the range of normal committee duties, but at the executive officers' request, they can be reimbursed, if approved by the executive committee in advance and supported by receipts. This will not normally include rental or purchase of electronic equipment (such as computers or telephones), Internet access costs or travel to committee meeting when not held on-line.
- b) Claims for expenses by an executive officer, must be supported by receipts. Legitimate expenses are authorised travel on committee business, postage costs, stationery, and telephone calls necessary for running the Network.
- c) It is not normal for u3as (including Networks) to reimburse their executive officers for travel or other costs associated with attendance at normal committee meetings. However, South Wales Network executive officers may not be local to where Committee meetings are held, so should be allowed to claim travel expenses in respect of travel outside their local areas with the approval of the Committee. The mileage allowance will not exceed that specified in the approved mileage rates from the HMRC website for the then latest tax year.

## Insurance

The Network Affiliation Agreement includes Public Liability cover. Full details of the Agreement can be found on the website.