SOUTHEAST REGION TREASURERS' FORUM

Notes from meeting held on Wednesday 11th November 2026

These are not intended to be a verbatim record of the meeting but notes highlighting the issues discussed and conclusions reached.

Meeting will be facilitated by Sally Ingledew (South East Region Council representative) and Graham Friday (Treasurer Crawley u3a and member of the Trust's Finance Committee).

The meeting was well attended

Topics discussed.

Commercial Activities

Graham, opened the discussion by saying that Sally and Jackie when they came in as our Council Reps asked for our views on "Commercialism." The objective of this item was to respond to that request.

He then further added that the word commercialism, could mean different things to different people. Personally, his view was that it meant the Trust finding ways of using the buying power of the u3a movement to help secure value for money, for both u3as and individual members.

He continued that the Trust was already doing this in several ways but needed the meeting views on what else could be done.

The current ways the Trust provide commercial support were:

- Using the combined expertise of the membership to provide "computer" application such as Beacon and Siteworks.
- Providing Insurance cover for the movement.
- Use advertising to fund the magazine production costs.
- Negotiate member benefits in terms of Rivera Travel and the new health package.
- Provide branded stationery and promotional goods.

A discussion followed where various ideas were put forward. The following being what the meeting would like Sally and Jackie to explore further with the Trust.

- **Selling the magazine nationally as a promotional tool for the movement.**
- **Negotiate a common banking contract for all u3as to use.**
- **Negotiate a 'group admission' rates with organisations such as English Heritage and National Trust to help encourage more u3a trips to those sites.**
- **Negotiate a membership rate with organisation that the membership use, such as RAC or AA.**

Banking issues

Direct Debits

A question had been lodged by one u3a, asking whether other u3as that are using direct debits as a collection mechanism, had encountered any resistance from their membership.

The consensus from the discussion was:

- General resistance to any changes, especially as you grow older, was the main reason for any resistance.
- Though collecting money via direct debits provides a more efficient collection from the u3a's viewpoint, it comes with its own regulatory compliance and GDPR issues and additional cost in needing to engage an external service provider. Therefore, it was down to the individual u3a Trustees to make the best decision for their membership.

PayPal

A question had been lodged - "given a number of u3as were having problems with PAYPAL shouldn't the Trust step in and help them get their problems sorted out?"

Graham replied that he had raised the question with the National Treasurer & the Office received the following combined response.

"The Trust is aware that problems are happening in a few u3as, generally when they are attempting to make changes to their bank mandate. But as the banking contract is between PAYPAL and the u3a, as the customer, the Trust has no legal grounds on which to intervene and approach PAYPAL on the u3a's behalf".

This led to a discussion on whether the Trust had a moral need to become involved as they had linked and promoted PAYPAL as the preferred payment method with automated/online membership renewals on Beacon.

An awareness arose that despite PAYPAL proportion to levy a common charge rate, individual u3as were being charged different rates. It was felt that this was a potential issue that the Trust could intervene on. It was recognised that the Trust would need to understand what is currently happening.

It was agreed that if u3as using PAYPAL were to send Graham information on what they are being charged. He will collate the data and share it back to the region. Sally and Jackie could then use it to see if other regions would do the same to provide the Trust with a platform from which to negotiate with PAYPAL over their charges.

Beacon

A question had been lodged on the status of the Beacon replacement project and whether Treasurers were going to be involved in the specification of any replacement of the finance module.

Graham had raised this with the Trust and been told that the Trust will aim to ensure that the new replacement system will be flexible to acknowledge the variety of u3a operating models.

The subsequent discussion highlighted the diversity in the sizes of u3as and therefore their needs from a financial module. It was acknowledged that the current module was sufficient for the smaller u3as that operated on a simple cash recording basis but was lacking in functionalities for large u3as that were operating on a 'Accruals' basis.

The consensus of the meeting was that Treasurers should be given an opportunity to inform the specification/selection of any new financial module, and for Sally and Jackie to take this up within the Council and Trust.

SORP 2026

A question had been asked about the potential changes to SORP 2026.

Graham responded by first explaining that SORP stood for Statement of Recommended Practice, these were issued by an organisation that set the standard to which all professionally qualified accountants need to comply with.

The Charity Commission require all charities to comply with all SORPs when compiling their accounts.

Though any Charity with a turnover of less than £500.000 can do their accounts on a "cash" and not an "accrual" basis, the reporting requirements within the SORP applied to all charities.

Since July 2023 all charities are required to have an online account with the Charity Commission and make all their annual submissions through that online account.

The new SORP has to be applied to all accounting period starting on or after the 1st January 2026.

The changes impact on what needs to be sent to the Charity Commission and simplifies some reporting options. The Financial Matters guidance document is in the process of being updated and will be issued shortly.

Set out below is the relevant updated section of the guidance, reflecting the new reporting requirements.

In addition, the new SORP makes the following changes to what needs to go into key documents.

Financial Statements (for Charities with gross income below £500,000)

- No need to include a cash flow statement.
- Organisation can use natural “descriptors” for reporting income and expenditure on the income & expenditure statement. They should help the reader get a better understanding of what the charity has achieved during that financial period

Trustees’ Annual Report

The report for all charity with gross income below £500,000 must be clear and concise, focusing on core stewardship. It should include

- What the purpose/aims of the charity are.
- What are its main activities.
- Impact – explaining how the charities work has made a difference to its members and the wider community.
- Summary of the reserves policy, with a reconciliation of the reserve figures contained within the accounts.
- Future Plans, statement of what the Charity is aiming to achieve within the next year, or longer.
- Statement of going concern.

Reserves and Reserves policy

A question had been asked on what a Reserve policy should look like and what it needs to cover.

Graham responded to the question, by saying that reserves should be viewed as a rainy day fund, there is help to cover any costs arising from perceived risks.

The main risk being the dissolution of the u3a, and the need to have an orderly run off, with sufficient reserves to cover any contractual liabilities. But there are other risks that u3as might want to consider. So, a documented risk register might be useful.

If you cannot determine what your risks are and qualify them in cash terms, then the broad backup position is to set the reserve level at either 6, 9 or 12 months of annual expenditure.

In terms of what a policy should contain, it should cover the following points.

- Articulate what the risks are and therefore why a reserve is needed.
- How any reserve level has been determined and quantified in monetary terms.
- How the level of the reserves will be expressed, either as a cash sum or a % of annual turnover.

A general discussion on this highlighted that there were no right or wrong ways to go about it, but the whole of the Trustee board needed to have an input into it and own the policy.

There was also a discussion on ways that u3as could use surplus reserves, where they have more than required.

There was a general reminder from within the meeting, that any surplus was Members money and needed to be spent for their benefit. Also, any surpluses generated from Activity/Interest groups should be excluded from the surplus for reserves calculations.

A few examples were offered about how u3as had tried to use up surpluses, with mixed results.

- Reduce or maintain the Membership fee for a prolonged period, but the problem is that when you then want to increase the fee again you might have resistance from the Membership.
- Offer “free” events, but this could lead to questions on fairness and equal treatment issues.

VAT

The last set of accounts published by the Trust had included an issue of VAT and potential penalties. A question was asked whether this would have an impact on u3as.

Graham responded that the issue had arisen from an over claim of VAT several years ago. The Trust had been in discussion with HMRC, and a resolution had been agreed. A financial provision had been included in the Trust’s account to adequately cover any financial implication. The current position was that the Trust was awaiting receipt of a final demand notice from HMRC, which will be settled in the current financial year.

There is no financial impact for u3as to be concerned about.

Extract from new version of the Financial Matters Guidance document, to be formally issued late 2026.

6.1 u3as Registered in England and Wales

Every charity, even if it is not registered with the Charity Commission (CC) needs to keep accounting records and produce annual accounts. For those u3as that are Charitable Incorporated Organisation (CIO) or a Charity Limited by Guarantee (CLG) then there may be different reporting requirements.

The following has been updated in accordance with SORP 2026.

Many u3a constitutions stipulate whether or not the statement of accounts should have an independent examination or audit (regardless of turnover levels). Where this is not stipulated an independent examination is required where the turnover exceeds £40,000. When turnover exceeds £500,000 the independent examiner must be a member of one of the recognised accounting bodies.

In addition, a full audit by an accredited accountancy company is required where turnover exceeds £1,500,00 or where a u3a has assets of over £5,000,000 and an income of greater than £250,000.

The CC thresholds refer to 'total income', which means all income that flows into the charity. If total income is:

- Less than £5,000: There is no requirement to register with the CC* although as a charity the u3a must still comply with charity law.
- For £5,000 to £10,000: The u3a must register with the CC and online enter total income and expenditure.
- £10,000+: Within 10 months of the end of the financial year the u3a must submit an Annual Return (including information from the Annual Accounts and Trustees' Annual Report).
- £25,000+: Within 10 months of the end of the financial year the u3a must submit an Annual Return, Annual Accounts and a Trustees' Annual Report;
- £40,000+: The u3a's Annual Accounts must be subject to independent examination.**
- £250,000 +: More stringent rules apply. The u3a must submit an Annual Return within 10 months of the end of the financial year including information from the Annual Accounts and Trustees' Annual Report. Accounts must use the accruals basis, and they must be subject to independent examination.
- £500,000 +: Accounts must be in accruals and prepayments and the independent examiner must be a member of one of the recognised accounting bodies.

‘Total’ income should include monies collected from Interest Groups.

* If your income is less than £5,000 you can still register with the CC. Which might help re Bank account applications.

**The independent examiner can be a member of your u3a but cannot be a Trustee. They cannot be related parties to an Executive Committee member either, this includes familiar/in-laws or business partners. They do not have to have an accounting background. A good understanding of basic record keeping would suffice. A common practice is to ask a Treasurer from another local u3a to examine your accounts.

It is standard practice for the independent examiner to be appointed (or the approval for the EC to award) by the members at the AGM.

Note that since July 2023 the Charity Commission requires that each charity (each u3a) sets up a Charity ‘Account’. Once this is established then Annual Accounts or any other submissions or changes have to be made through the account. Additional Trustees need to be added sequentially to the account.