



Grantown on Spey u3a Financial Policy

1. Statement

All charities are required to determine their Internal Controls for running the charity, one of these being the Financial Policy. Grantown on Spey u3a (the u3a) is not a registered charity but is an unincorporated associate member of the Third Age Trust, an English registered charity and is governed by virtue of that. Being a Scottish charity the u3a is also governed by the Charitable stipulations of the Office of the Scottish Charity Regulator (OSCR).

The constitution of the u3a provides for an Executive Committee and Officers as the governing body. The members so elected each year are referred to herein as “the committee.” The committee have responsibility for the financial operation of the u3a and as such are “Trustees” in terms of all relevant charity laws, rules and regulations. Reference herein to the Trustees indicate the committee as discharging these responsibilities as a charity.

2. Trustees’ financial responsibilities

The trustees of Grantown on Spey u3a 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
- Preparing Annual Accounts in accordance with the governing document and relevant legislation.
- Showing in such accounts a true and fair view of the state of affairs of the u3a.

The Trustees are jointly responsible for keeping full financial records. These include those of the u3a and all the interest groups, sub-groups etc., where appropriate.

To enable the Trustees to carry out these responsibilities, the financial procedures detailed below will be followed.

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

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

3. Banking

3.1 Bank accounts

- All bank accounts are to be in the name of Grantown on Spey u3a and operated by the undernoted authorised signatories
- 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 are the Chairman, Treasurer and Secretary with other Trustees if approved by the committee. This responsibility cannot be delegated.
- All cheques must be signed by at least two signatories.
- The signatories are responsible for examining cheques for accuracy and completeness.
- The signatories are also responsible for examining the payment documentation such as Invoices, Expenses Claims and such prior to signing the cheque or authorising an internet transfer.
- All bank statements must be sent to the Treasurer directly.
- Blank cheques must not be issued.
- Blank cheques must not be signed by one signatory for a second to complete later.
- Whenever practical two people should be involved in counting cash receipts and confirming the totals in writing however informal.

3.2 Online banking

Where online operation of the bank accounts is in place only Trustees approved by the committee will have access to this facility. The security of the online system is in line with the arrangements offered by the Bank of Scotland and in accordance with the mandated approval limits.

3.3 Payment by bank cards

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 varies from bank to bank and may be via a card reader and personal access card or by logging on to the bank system with a personal password and access code or similar safeguards.

No bank debit or credit cards are currently held in the name of the u3a. If required in the future the decision must be approved by the committee. The use of these cards overrides the dual control aspect of the payment authorisation process, but 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. The committee will predetermine the spending limits for any card such as per transaction, per day or per month. Such cards will be held by the Treasurer. All transactions made using such cards should appear immediately on the appropriate bank account statement (subject to the timescales for electronic banking

transactions) and are to be subject to review by the nominated officers through the online banking service. All such payments must be supported by an invoice or receipt made out to Grantown on Spey u3a.

3.4 Personal debit or credit cards

Personal debit or credit cards will not be used. However especially for interest group activities there may be a need to do so. Permission must be sought from the committee where a group feels that there is no other viable way to make payments.

Prior approval must be given by the committee for equipment and other items to be purchased for the use of the u3a or specific interest groups. In these circumstances, it may be appropriate for a member to purchase the equipment and then reclaim the cost as a personal expense claim.

All invoices must be issued in the name of Grantown on Spey u3a

4. Interest Groups' finances

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 and can withdraw money on request from the ring-fenced funds held by the u3a on their behalf, as appropriate. The Treasurer, Group Co-ordinator and Group Leaders will agree what records they need to keep of their 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.
- Allow group leaders to maintain cash floats.

4.1 Receipts

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

- Where appropriate and approved, bank paying in slips may be given to group leaders for this purpose.
- Group leaders may not, except in specifically approved circumstances, pay sums due by issuing their own cheque or paying online through their own bank account.
- Where applicable receipts will be given to group leaders, or acknowledged by email.
- Where net sums are being paid in, full accounting for the net figure will be provided to the Treasurer.
- Cash held back for cash flow purposes will be within the u3a's approved limits and may vary by activity.

4.2 Payments

The committee will inform relevant group leaders of the approved process for payments relating to:

- When a trip is organised by and paid through the u3a or paid directly by the members to the trip organiser.
- When payments may be deducted from activity revenue for such items as Venues, Coaches, Tutors, Speakers or other previously approved amounts.
- When payment for these and other payments must be made by the Treasurer.

Outside speakers should be asked to state their fees and any travel costs at the time of booking and a cheque obtained from the Treasurer.

Where the committee has agreed the use of a paid tutor, evidence of their self-employed status must be provided and given to the Treasurer with a suitable invoice in the name of the u3a as agreed.

The 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 with any of these conditions the committee will review as to whether the group is legitimately operating in line with the U3a's insurance requirements and these financial procedures.

4.3 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 all expected expenses.

The organiser of an event must not benefit from any discount including such benefits as 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 may be paid to an organiser from the money collected for the event. As all u3a members offer their services free to the movement, no organiser may receive any pecuniary reward for organising any event. Individuals (eg Interest Group members) may make a separate contribution to thank an organiser.

5. Payments to other charities

The u3a being a charity will not raise funds for any other charity but may pay speakers who have indicated that they intend to donate the equivalent of their fee to a specific charity – to which individuals may wish to contribute.

6. Expenses policy

Out of pocket expenses incurred by the volunteers who are involved with running the u3a may be reimbursed on request by submission of the appropriate form giving sufficient detail as to the nature of the expense. Expense claims must be submitted

with receipts wherever practical. Expenses can include – with committee approval – attendance at national or regional AGMs, conferences or workshops.

Travel expense claims should reflect the cheapest travel option available. Travel by car can be reimbursed at no more than the current HMRC approved rate for the actual mileage travelled. Car parking and congestion charges can be reclaimed (with receipts) but parking or other fines will not be allowed.

Overnight accommodation will only be allowed in exceptional circumstances and will need the prior agreement of the committee. Where a member has been delegated to attend any such activities up to £10 may be claimed without a receipt for gifts to friends or relatives providing accommodation where otherwise commercial overnight accommodation would be required.

7. Membership Fees and membership of more than one u3a

The membership fee shall be reviewed on an annual basis by the committee and any change agreed shall be put to the AGM or by convening an EGM for the purpose. The u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members.

For u3a members who can evidence membership of any other u3a the cost of membership will be reduced by the amount due to The Third Age Trust for such member. Where an agreement exists between local u3a groups then visiting members of these groups will be charged the same as Grantown members for occasional attendance.

8. Asset register

An asset register is maintained by the Treasurer recording all assets held including their initial purchase price, date of purchase, estimated nominal value and location.

It should be noted that under a receipts and payments reporting system, all assets are fully written off against receipts in the year of purchase. The register is reviewed annually.

9. Reserves

The u3a aims to keep a level of reserves that will cover 6 months of regular operating activity. When there are no commitments for continuing contracts of lease or purchase or such, in 2022 a minimum of £500 in the bank account is considered by the committee to be a reasonable amount. Should any continuing commitments be taken on, this amount should be reconsidered and in any event the committee should review the amount annually.

Approved by Trustees and adopted on 1st August 2022

Signed



(Chair)