Perth u3a
Financial Policy and Procedures

Approved April 2026

FINANCIAL POLICY

1. The Committee is responsible for:
    - Safeguarding the assets of Perth U3A
    - Preventing fraud
    - Avoiding mistakes
    - Keeping financial records in accordance with the Constitution and relevant legislation.
    - Preparing Annual Accounts in accordance with the Constitution and relevant legislation.
2. Committee members are Charity Trustees, and have a statutory duty to:
    - Keep proper accounting records
    - Prepare a statement of account and a report on its activities, at the end of each financial year
    - Have the statement of account independently examined or audited
    - Send a copy of the accounts, along with the annual return, to the Scottish Charity Regulator.
    - Ensure the Scottish Charity Regulator is kept up to date with the required details of the current Trustees and any changes of Trustee.
3. To enable the Committee to carry out these responsibilities, the Financial Procedures detailed below and posted on the website, must be followed at all times by all Committee Members, Group Leaders and Ordinary Members.
4. The policy and procedures will be reviewed regularly by the Committee and revised as necessary.

FINANCIAL PROCEDURES

1. GENERAL

1.1 The Perth U3A Financial Year runs from 01 April to 31 March.

1.2 Perth U3A's main current account is held by The Bank of Scotland. Additionally Perth U3A hold accounts with RBS, PayPal and SumUp, the latter for card payments. Both PayPal and SumUp collect payments which feed into the main current account.

1.3 Perth U3A holds no Debit or Credit cards.

1.4 An Independent Examiner will be agreed by the Committee annually, and must be approved by the Annual General Meeting as per the Constitution.

2. ANNUAL BUDGET

2.1 An annual budget, setting out the Perth U3A financial plan for the year, will be prepared by the Treasurer for approval by the Committee at the start of each financial year, before the Annual General Meeting.

2.2 The budget setting process will include a proposal to the committee for setting the membership subscription levels for the year.

3. BANK ACCOUNTS

3.1 *General*

3.1.1 All bank accounts must be in the name of Perth U3A.

3.1.2 The uses of Perth U3A bank accounts are detailed in **Annex 1**

3.1.3 New accounts may only be opened by a decision of the Committee, which must be minuted

3.1.4 Changes to the bank mandate may only be made by a decision of the Committee and minuted

3.1.5 No Committee member may authorise a payment to themselves, their partner or to relatives

3.1.6 All bank transactions must be entered into the Beacon accounting system.

3.2 *Payments out by Cheque*

3.2.1 Cheque signatories will comprise the Treasurer, Chair and Secretary.

3.2.2 The Treasurer is custodian of the cheque books and card reader and is responsible for ensuring accuracy and completeness prior to issue.

3.2.3 All cheques issued must be signed by two signatories, who are responsible for examining the cheque for accuracy and completeness.

3.2.4 The signatories of a cheque must be satisfied the payment is justified and complies with the financial policy and procedures.

3.2.5 Blank cheques must **never** be signed.

3.3 ***Payments out by Online Transfer BACS***

3.3.1 Where online operation of the bank accounts is in place only Trustees approved by the Committee will have access to these facilities. The security of the online system is in line with the arrangements made by the Financial institutions, in particular the Bank of Scotland. Payments by online transfer BACS will be made only by the Treasurer, and verified regularly by a nominated Trustee, and all transactions will be promptly registered on Beacon.

3.3.2 Invoices and other requests for payment by online transfer BACS will be initially approved by the committee through the budget. Any payments to be made out with the agreed budget payments will be first approved by the committee.

3.3.3 Payments will not be made out from either the PayPal account or the SumUp account other than those by the Treasurer and then only to feed into the main current account.

3.4 ***Credits to the bank accounts.***

3.4.1 Payments received may be by cash, cheque, postal order, credit card, debit card or PayPal.

3.4.2 Payments by PayPal go into a PayPal account and are then channelled into the main Bank of Scotland account by the Treasurer. A record of payments into the PayPal account is kept automatically through Beacon.

3.4.3 Payment by card can be made into the SumUp account. Payments are then channelled to the main BofS account by the Treasurer from the SumUp account. SumUp keep a record of card numbers which have to be backed up with the corresponding names by the card machine operator.

3.4.4 In the event that members prefer to pay by BACS and cannot pay by other means then, they can be offered a link to pay into the SumUp account.

4. AUTHORISATION OF PAYMENTS

4.1 ***General***

4.1.1 Authorisation to make payments lies solely with the committee of trustees.

4.1.2 Committee decisions on expenditure should be minuted as in the budget and kept by and used by the Treasurer to regulate payments.

4.2 ***Regular expenditure***

4.2.1 Regular expenditure may be made without further reference to the committee, up to the approved annual budget, for the categories of expenditure listed in Annex 2.

4.2.2 Each expenditure category is subject to limits set in the annual budget and may only be exceeded with committee approval

4.2.3 Some expenditure will be covered by specific written policies approved by the committee.

4.2.4 Decisions on expenditure are made by the Committee, however written guidance will be agreed, and from time to time reviewed, by the Committee for the following:

- Travel expenses
- Gifts and Honoraria
- Financial arrangements for Group activities
- Financial arrangements for Perth u3a Social Programme events

4.2.5 Payment for Open Speakers be limited to £50.00 and additional travelling expenses also limited to £50.00

4.2.6 Expenditure (including reimbursement of expense) in areas covered by specific written policy will be made only where the expenditure is compliant with the policy. Members of PERTH u3a may not receive payment if speaking at an open meeting.

4.2.7 Purchases of goods or services (approved by the committee) made by members of Perth U3A using personal funds can be reimbursed on submission of a signed expenses claim form accompanied by original receipts issued by the supplier.

4.3 ***General "One Off" Expenditure***

4.3.1 General expenditure ordinarily should be explicitly approved in advance by the committee.

4.3.2 Bookings of charged external accommodation for the activities of Perth U3A, not covered in the budget, may only be made with the express agreement of the committee

4.4 ***Urgent requirement for expenditure in exceptional circumstances***

4.4.1 If, in exceptional circumstances, urgent purchases are required payments may be made according to an agreed authorisation schedule:

Amount	**Authorisation Level**	**Process**
Up to £50.00	Chair or Secretary	Reported to committee post hoc at next meeting.
Up to £200.00	Two cheque signatories	Reported to committee post hoc at next meeting.
Over £200.00	Full Committee	Must always be approved in advance by the full committee

4.4.2 In the above table the amounts indicated are the maximum cumulative spend that can be authorised before being reported to the committee.

4.4.3 In no circumstances may an urgent payment be authorised to any committee member or partner or relative of a committee member.

5. HANDLING OF CASH

It is policy of Perth u3a that the use of cash should be only as a last resort in all circumstances.

5.1 *Governance - Outgoings*

5.1.1 All outgoing payments should be by BACS or cheque and correctly recorded on Beacon

5.1.2 In the very exceptional circumstance of a payment in cash being deemed unavoidable, a detailed formal receipt must be obtained from the payee, and the circumstances reported to the committee of trustees.

5.1.3 On registration day, and when cash has to be taken for U3A organised social events, it is permissible to have a cash float

5.2 *Governance - Incomings*

5.2.1 Cash receipts in this category are accepted only for:

- Membership subscription payments in person to the membership secretary or other committee member and where Paypal, cheques, or card payments are not possible.
- Donations to Perth U3A

5.2.2 A written receipt must be issued for all cash received, detailing the payee, the purpose of the payment, the date, and be signed by the person receiving the cash. Receipts must have a counterfoil (or carbon copy) completed and retained.

5.2.3. For all transfers between individuals within Perth U3A of cash sums requiring to be banked, the sum must be counted jointly by the person handing over the cash and the person receiving the cash with the total formally agreed and recorded. The record must be signed by both parties.

5.3 *Group and Social Activities not requiring use of the Perth U3A Bank Accounts*

5.3.1 To avoid unnecessary bureaucracy, informal use of modest amounts of cash by groups for their core activities has been the custom within Perth U3A and the Committee approves the continuation of this practice.

5.3.2 The decision as to appropriate practice in relation to handling cash for activities in this category lies with the group leader as does the responsibility for responding to any queries which arise.

5.3.3 It is good practice for the Group Leader to make and retain a written account of receipts and payments in case of later query.

5.3.4 At the discretion of the group leader a Perth U3A group is permitted to keep an informal cash fund not exceeding £20.00 for beverages and snacks to be consumed at that group's meetings.

5.4 ***Group and Social Activities requiring use of the Perth U3A Bank Accounts***

5.4.1 The governance requirements in 5.2.2 & 5.2.3 above will apply in the handling of cash receipts for any group or social event for which the Perth U3A bank accounts are used.

6 FINANCIAL RECORDS

6.1 The keeping of accurate financial records is the responsibility of the Treasurer.

6.2 Perth U3A uses a computerised accounting facility included in the U3A Beacon Administration system which records:

- Cheques and cash received and banked
- Cheque payments, Banking Transfers and other amounts paid from the bank accounts

6.3 Every transaction will be entered into the appropriate ledger and will include:

- The date of the transaction
- The name of the party money was received from or paid to and the full amount
- A brief description of why the money was received or paid

6.4 All documents relating to receipts and payments will be retained for inspection by the External Examiner.

6.5 Accounting records will be retained for six years from the end of the financial year to which they apply.

7 FINANCIAL REPORTING

7.1 ***Reports to Committee***

7.1.1 As a minimum a financial report will be prepared by the Treasurer for the Committee on a quarterly basis

7.1.2 During the U3A Session (September – April) a financial report will normally be prepared monthly for consideration by the committee.

7.1.3 The financial report will consist of Income & Expenditure, and Bank Balances

7.1.4 Each Financial Report will be circulated to all committee members and discussed at the following committee meeting.

7.2 ***End of year Reporting***

7.2.1 At the end of the financial year Annual Accounts will be prepared by the Treasurer and presented to the Committee.

7.2.2 A Summary Annual Financial Report will also be prepared by the Treasurer and presented to the Committee.

7.2.3 The Annual Accounts and Summary Annual Financial Report will be presented to the Annual General meeting for approval, as per the Constitution.

7.2.4 The Annual Accounts will be checked by the External Examiner approved by the Annual General Meeting who, when satisfied, will issue a formal certificate of approval.

7.2.5 Based on the approved Annual Accounts an Annual Return in prescribed format will be prepared by the Treasurer for the Office of the Scottish Charity Regulator.

7.2.6 The draft OSCR report will be presented to the committee for approval prior to submission by the Treasurer to the regulator.

8 ASSETS AND INSURANCE

8.1 *Asset Register*

8.1.1 An inventory of all physical assets belonging to Perth U3A will be maintained and kept up to date by a designated holder of the register who liaises with the Treasurer.

8.2 *Insurance*

8.2.1 Perth U3A is an affiliated member of the Third Age Trust through which it is covered for insurance in relation to:

- Public Liability
- Accidental Damage

8.2.2 The adequacy of the insurance arrangements will be reviewed by the committee annually.

Annex 1

Perth U3A has the following bank accounts:

Main Account	Account for all transactions relating to the core function of Perth U3A. These include receiving membership subscriptions and donations, and also payments for rentals, equipment, group expenses, and governance costs. It is also the account for the “sales” activities such as diaries.
Social Fund Account	Account for all transactions for activities carried out under the auspices of Perth U3A but not part of its core function. These include social events such as a Christmas Lunch or Quiz Night organised by a group, and also activities organised by groups outside the core programme. Such activities would include group field trips, and summer outings.
Sum-up account	This is for transactions into PerthU3A by Debit or credit card. Money is then transferred into the Current account held by the bank of Scotland.
PayPal account	This is used for the receipt of member subscriptions and funds are transferred to The current account.

Annex 2

Approved Schedule of Regular Expenditure for year 2026-2027

Item	Notes
Rental of external accommodation	
Rental of Unit 7	
Payment of annual fees • *TAT Membership* • *Direct Mail - Magazines* • *Beacon Fees* • *Copyright Licensing Agency License* • *Oakbank Community Association Affiliation* • *Website Siteworks*	
Printing, Postage & Stationery	
Open Meeting Speakers – gift tokens	
Catering	
Attendance at TAT AGM	

Annex 3

Financial Policy Guidance Note – Travel Expenses

Members - General Activities taking place within the Perth and Kinross Area

Participation by members in the activities of Perth U3A is on the understanding that it is a voluntary organisation.

Although Perth U3A will oversee and support the organisation of groups, open meetings, and related activities, including, where necessary, the provision of suitable accommodation, it is a core part of the ethos and policy of Perth U3A that any out of pocket expenses incurred by group members and group leaders in attending and participating in group meetings are borne by those members personally. Similarly, any out of pocket expenses incurred by committee members, group leaders and volunteers due to their participation in the governance and organisation of Perth U3A are borne by those individuals personally.

Accordingly, travel expenses (including parking costs) relating to ordinary governance, management, and interest group activities are not reimbursable from U3A funds.

Members - Specific Activities taking place outside the Perth & Kinross Area

If, in the opinion of the Committee of Management, there is a requirement for one or more members of Perth U3A to participate in an activity outside the Perth and Kinross area, and if such participation is considered by the Committee of Management to deliver benefits to the members of Perth U3A sufficient to justify the expenditure, then reimbursement of travel costs of the member(s) attending may be made.

Mechanism of Approval of payment of travel costs to members

1. A formal, fully costed proposal is presented to the Committee of Management specifying the activity and the benefits of participation / representation.

2. If the proposal is approved, the Committee of Management will also approve a financial allocation.

3. Travel costs will usually only be paid at the level of economy travel with, if possible, reductions for concessionary travel benefits.

4. Reimbursement will be made only on production of receipts for travel tickets.

5. If travel is by private car, an overall cost will be agreed with the car driver in advance of approval by the Committee of Management.

<u>Travel Expenses to Third Parties</u>

It is general policy not to pay travel expenses to third parties (such as visiting speakers).

If exceptional circumstances arise by which travel expenses to a third party are deemed justified, such payment should be quantified and formally approved by the Committee of Management prior to any agreement being entered into with the third party.

Annex 4

Financial Policy Guidance Note – Gifts & Honoraria

1. Modest gifts, funded by Perth U3A, as a “one-off” recognition of exceptional assistance or service to the organisation and its members may be made with the explicit prior approval of the Committee of Management.

2. As a matter of Perth U3a policy, excepting in the case of (3)below, payments of cash honoraria are not made to speakers at Group meetings or other u3a activities.

3. It has been agreed by the Committee of Management that, as a mark of appreciation, Open Meeting Speakers who are not members of Perth u3a may receive a discretionary payment of up to £50.00. However if the Speakers talk is considered part of their job (e.g. a public servant presenting on a topic they have asked to publicise) such payment will only be made in exceptional circumstances (explicitly approved by the Committee).

4. In the event of an honorarium (or other payment) being donated by the recipient to charity, the payment made by Perth U3A will be to the individual for onward donation and not directly to another charity.

Annex 5

Financial Policy Guidance Note – Activities of U3A Interest Groups

The Financial Procedures include these statements:

- To avoid unnecessary bureaucracy, informal use of modest amounts of cash by groups for their core activities has been the custom within Perth U3A and the Committee approves the continuation of this practice.

- The decision as to appropriate practice in relation to handling cash for activities in this category lies with the group leader as does the responsibility for responding to any queries which arise.

- It is good practice for the Group Leader to make and retain a written account of receipts and payments in case of later query.

- At the discretion of the group leader a Perth U3A group is permitted to keep an informal cash fund not exceeding £20.00 for beverages and snacks to be consumed at that group's meetings.

The group leader is responsible for approving and overseeing any informal financial arrangements within the group.

As a matter of general policy, group incidental costs are borne by the group members.

Annex 6

Financial Policy Guidance Note – Social Events

Governance

The Committee of Management will be kept apprised of financial aspects of Social Events being organised either directly by the Social Coordinator, if that person is a Committee member, or alternatively by a Committee member identified as the recognised link.

A distinct bank account, separate from the U3A main current account, will be maintained for Social Event monies, with a separate ledger in the Beacon system recording transactions. This will be referred to as the Social Fund.

Social events will be planned and managed on the basis they must not be loss making.

There should be no planned profit, but if any surplus remains after the event it will be retained in the Social Fund.

Proper records of financial receipts and payments relating to social events will be kept by the organisers.

Organising and Paying for Social Events

Before making any firm booking the organisers must be satisfied that the event is financially viable (i.e. not loss making).

Any agreement with an outside agency for an event should be on the basis of a clear written quotation of the financial implications to Perth U3A.

Ordinarily, Social Event organisers will collect payments from members booking to attend, and payment to the providers (e.g. for concert tickets, or festive meal) will be made only when these monies have been collected.

If it is necessary to book a venue or hosted event, the preferred arrangement is that no deposit or other payment is made before the event, and that Perth U3A make payment in arrears on receipt of invoice. If, however, pre-payment in full or in part (e.g. a deposit) is required for a particular booking, such payment must first be approved by the Committee of Management.

Settlement of invoices for social events will be the responsibility of the treasurer.

In accordance with U3A Financial Procedures, no outgoing payments are to be made by cash. (If it is ever absolutely unavoidable to make a cash payment, a receipt must be obtained, signed by the person receiving the money and detailing what it was for, with Committee subsequently being notified.)

Individual Members Booking Places at Events

A careful record of all monetary receipts should be kept, detailing the date of payment, the name of the member(s) making the booking, the event booked, and the sum received. This information is best kept in tabular form on a written table or spreadsheet

All payments are to be made by members in full at time of booking. Paying members should be made aware that their payments are not refundable unless the event is cancelled by Perth U3A.

Payments may be made by cheque, postal order or cash, and passed to the treasurer for payment into the Social Fund bank account.

Cash payments should only be made in person to the organisers, with a formal dated receipt issued detailing the member(s) name, the sum received and the nature of the booking made.