

Financial Policies

Definitions:

“Trustees” refers to elected Committee members and Officers of U3A Dumfries.

1. Policies

Each u3a is required to set down its financial policies and procedures. This document defines the processes that U3A Dumfries 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.

This policy is part of the governance arrangements. It sets out the financial framework and principles within which the Trustees of U3A Dumfries will manage all the organisations 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 U3A Dumfries are financially accountable for:

- Safeguarding the assets of the charity.
- Identifying and managing the financial risk of loss, waste, theft or fraud.
- Ensuring the financial reporting is robust and of sufficient quality.
- Keeping financial records in accordance with the Constitution and relevant legislation (e.g. OSCR).
- Ensuring Annual Accounts are prepared in accordance with the constitution 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 a U3A Dumfries. includes:

- Maintaining the financial records in accordance with the u3as’s published financial policies
- Maintaining the financial records in accordance with the applicable charity law and statute
- Managing the bank accounts in accordance with the financial policies
- Preparation of accounts and budgets

- Preparation of the annual accounts for the AGM, publication and filing
- Ensuring that an Asset Register is maintained.

3. Banking

3.1 Bank Mandate

Two signatories are required to sign cheques and authorise payments.

Authorised signatories are as follows:-

Chair

Treasurer

Secretary

Committee Member

3.2 Bank Accounts

- All bank accounts (including Group bank accounts, where applicable) are in the name of “University of the Third Age in Dumfries u3a in Dumfries” and operated by the Trustees.
- 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.
- All payments must be approved by at least two signatories (one normally being the Treasurer).
- The authorised signatories shall be Chair, Secretary, Treasurer and one other Trustees.
- The signatories are responsible for examining the payment request for accuracy and completeness and for examining supportive documentation (purchase invoice etc.) prior to approval (signing the cheque or authorising an internet transfer).
- All bank statements must be available for the Treasurer.
- Blank cheques will never be issued.
- Blank cheques will never be signed by one signatory for a second to complete later.
- Whenever practical two people should be involved in counting cash receipts.

3.3 Online Banking

Where online operation of the bank accounts is in place only Trustees approved by the Committee will have access to this facility (as above). 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.

Operation of the online banking service is under the control of the treasurer and the chair, who have full access rights and are 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.

3.4 Payment by Bank Cards

The issue of any bank debit card in the name of U3A Dumfries will be approved by the Executive 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 (e.g. theatre tickets). The Committee will predetermine the spending limits for any card: the limit may be per transaction, per day or per month.

U3A Dumfries holds 2 business debit cards which are held by the Chair and treasurer. All transactions made using these cards 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.

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 any income and expenditure of the groups. 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 U3A Dumfries. Groups are permitted to make any expenditure deemed necessary by the group members. The Treasurer, Group Co-ordinator and relevant Group Leader/s need to agree what records they need to keep of the groups' 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.

Items that may be excluded from Group finance reporting include

- 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.
- c) Holidays booked directly through a travel agent/tour company/hotel with individual members paying the provider direct. If it is easier, the organiser can collate and post the individual cheques to the provider.

4.3 Receipts

To manage the handover of cash and cheques to be paid into the U3A Dumfries bank account the Executive Committee has decided that:

- Bank paying in slips will not be given to Group Leaders for this purpose
- Where applicable receipts will need to be given to Group Leaders, or acknowledged by email
- Where net sums are being paid over this needs to be fully demonstrated to the Treasurer by a receipts and payments statement
- Cash held back for cash flow purposes will be within the u3a's approved limits (they will vary by activity)

4.4 Payments

The Executive Committee will inform relevant Group Leaders in writing the approval process for payments relating to:

- When a trip or event is organised by and paid through the u3a
- 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
- When payments may be deducted from activity revenue
- 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.

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

Every charity needs to keep accounting records and produce annual accounts. The Statutory Authority for U3A Dumfries is OSCR (Office of the Scottish Charity Regulator). Further information can be found on the Trust website in Finance Matters – Guidance (see References).

6. General Reporting

The Treasurer is responsible for maintaining financial records and will submit regular accounts to the Executive Committee. Accounts will be kept on a payments and receipt basis.

All financial records and receipts shall be kept for a minimum of six years. This includes Gift Aid declaration data.

7. Reserves

U3A Dumfries aims to keep a level of reserves of £3000 that will cover approximately 6 months of regular operating activity. This is considered by the Committee a reasonable level for this type of charity.

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.

U3A Dumfries can make payments to speakers who have indicated that they intend to donate their fee to a specific charity but 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. Authorised signatories are stated in Section 3.1. 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. The membership fees will be reviewed on an annual basis.

U3A Dumfries is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members. The cost of membership can be adjusted on an individual basis if appropriate.

For u3a members who can provide evidence membership of another u3a Dumfries U3A, associate membership 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).

8.4 Asset Register

An asset register is maintained by the nominated committee members which records all assets held including their initial purchase price, date of purchase, estimated nominal value and location. The register will be reviewed annually.

Assets will be written off in their first year as u3a Dumfries use a Receipts and Payments system

8.5 Gift Aid

Gift Aid is claimed on the proportion of the membership fee required to operate and manage U3A Dumfries on behalf of members.

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

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

9. Investments

9.1 The u3a has as its prime consideration that it is merely holding money on behalf of its members. While the u3a should seek to obtain the best investment returns available, the security of funds takes precedence over returns on investment.

9.2 Investment of funds will be with main banks or building societies and the Charities Official Investment Fund (COIF).

9.3 These are chosen as they have the funds to withstand economic pressures. The Banks and Building Societies should offer cover by the FSCS guarantee (limited to £85,000 per institution).



The COIF is not covered by the FSCS guarantee, however, has the strength of working primarily in the charitable sector and offers no risk cash-based accounts.

9.4 No investments will be made into stocks, shares, gilts, or bonds as the risk level would be too high.

9.5 All individual investments must be approved by the Committee.

9.6 The investments should be reviewed annually by the Committee, as part of the fee setting process to take account of changing economic conditions.

10. References

Dumfries u3a has other financial documents in place. These are:

Finance Matters – Guidance (u3a-KMS-DOC-033)

Bank Mandate

National website link - [Gift Aid Guidance](#)

u3a	Financial Policy Template – u3a-KMS-POL-003	The Third Age Trust
Version	Description of changes	Date
Draft August 2026	Minor corrections.	
Draft June 2026	Draft including revisions from committee	
Draft April 2026	Update from U3A template revied by committee 12 th June 2026	