

Sports Traider Charity

Financial Policy

March 2019

These are the financial rules for Sports Traider Charity approved by the Trustees.

1. In these rules, unless the context otherwise requires, the following expressions shall have the meanings hereby assigned to them:
 - a) “the Charity” means Sports Traider Charity or by such other name as may be subsequently notified to the Charity Commissioners in accordance with the Charities Act.
 - b) “the Trustees” means the body of people, elected or appointed in accordance with the Charity’s Constitution, to manage the business of the Charity and who are deemed responsible as trustees for the general control and management of the administration of the Charity.
 - c) “the Honorary Treasurer” means the Honorary Treasurer of the Charity elected by the Annual General Meeting of the Charity.
 - d) “the Operations Manager” means the employee of the Charity appointed to the post by the Trustees.
 - e) “the independent examiners” means the independent examiners appointed by the Charity at its Annual General Meeting or by the Trustees.
 - f) “the independent examiner’s report” means the annual audit of the Charity’s accounts.
 - g) “budget” means the estimate of future incoming funds, expenditure and other applications of funds for a particular accounting period.
 - h) “the financial year” means the accounting period commencing first of April annually and ending 31st March following, and shall be construed in accordance with the requirements of the Charity Commission.
 - i) “the Charities Acts” means any or all of the Charities Acts.
 - j) Any reference in these rules to staff posts other than that of the Operations Manager shall be interpreted according to the staffing establishment prevailing at that time.
- 2 Save as provided for above, the interpretation and construction of these rules shall be in accordance with the Interpretation Act prevailing at that time.

GENERAL

- 3 The purpose of these rules is to provide a statement of the procedures and practices to be observed in the handling and dealing with the Charity's financial assets and activities and to ensure the Charity has in place effective systems of financial control to secure the protection of its assets and the prevention and detection of fraud, and to achieve a high standard of professionalism in the Charity's financial management.
- 4 It is the fundamental duty of the Trustees to protect the Charity's assets and to secure their

place.

- 5 The Trustees shall ensure that the financial activities of the Charity are at all times compatible and in accordance with the aims and objects of the Charity and its status as a registered charity.
- 6 Members of the Trustees act as Trustees of the Charity and are required to perform their duties with diligence and care, using such skills, experience and knowledge as each may possess. Members of the Trustees may be personally liable in law for their acts or neglects or for losses arising there from.
- 7 The Trustees shall ensure that proper books and records are kept, that annual reports and accounts are prepared in accordance with the requirement of the Charities Act that the annual accounts show a true and fair view of the Charity's finances.
- 8 The Trustees shall have the right to inspect or call for inspection without notice any or all the financial records, books, vouchers, receipts, bank statements and cash in hand of the Charity.
- 9 The Trustees shall approve the Charity's annual report and accounts and the Honorary Secretary shall ensure that they are subsequently presented to the Annual General Meeting.
- 10 The Honorary Secretary shall ensure that all members of the Charity and its Trustees are provided with copies of the Charity's Annual Report and audited Accounts and to this end shall each year provide a membership list of the Charity for confirmation by the Trustees at its meeting prior to the AGM.
- 11 The Trustees may delegate its functions in respect of the Charity's financial management but shall not delegate its responsibility therefore as this legally belongs to the Trustees alone.

FINANCE SUB COMMITTEE

- 12 The Trustees may establish a Finance Subcommittee comprising any number of its members providing that the Chair, Vice-Chair, and Honorary Treasurer shall be ex-officio members of the Subcommittee and that no employee of the Charity shall be a member thereof although such employees as the Trustees or the Honorary Treasurer on its behalf may determine shall attend any or all meetings of the Finance Subcommittee. The Operations Manager shall normally be in attendance at meetings of the Finance Subcommittee.
- 13 The terms of reference of the Finance Subcommittee shall include the following and such other as the Trustees may from time to time determine:
 - i to oversee the financial affairs and such other matters as specified in these rules of the Charity on behalf of the Trustees and to report thereon to the Trustees.
 - ii to ensure on behalf of the Trustees that proper and secure systems exist and operate for the

making and keeping of the accounts and financial records of the Charity in accordance with these financial rules.

- iii to approve arrangements for preserving safely all financial records of the Charity for a minimum of 6 years from the end of the Charity's financial year in which they are made and

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for all annual financial statements being preserved indefinitely during the existence of the Charity.

- iv to make recommendations for the effective and efficient use of resources, the solvency of the Charity and the safeguarding of its assets, and to keep under review on behalf of the Trustees the management accounts which shall include monthly budget statements.
- v to consider and make recommendation concerning the annual budgets for both capital and recurrent income and expenditure.
- vi to consider and make recommendations on proposed contracts for the supply to the Charity of goods or services.
- vii to consider and make recommendations on any investment policies in respect of sums not immediately required for the purpose of the Charity.
- viii to monitor compliance with statutory requirement for financial reporting.
- ix to consider such other financial matters as may from time to time arise.
- x to act under delegated authority within such limits as may be prescribed by the Trustees.
- xi to forward the minutes of its meetings to the Trustees.

THE HONORARY TREASURER

- 14 The Honorary Treasurer shall monitor the financial affairs and such other matters as specified in these rules of the Charity on behalf of the Trustees and/or Finance Subcommittee.
- 15 The Honorary Treasurer shall, on behalf of the Trustees, verify that proper and secure systems exist and operate for the making and keeping of the accounts and financial records of the Charity in accordance with these financial rules.
- 16 The Honorary Treasurer may at any stage inspect any or all of the books, vouchers, receipts and cash in hand of the Charity and such other information and items as he/she may consider necessary in order to satisfy him/herself of the suitability and correct operations of the Charity's financial systems and arrangements.
- 17 The Honorary Treasurer shall undertake periodic reviews of the Charity's financial systems with staff having responsibility for the finance-related aspects of the Charity's work and formal notes of these reviews shall be filed and presented to the Trustees.

- 18 The Honorary Treasurer shall oversee the preparation of the Charity's annual financial statements and report.

ABSENCE OR INCAPACITY OF THE HONORARY TREASURER

- 19 In the event of the absence of an elected Honorary Treasurer or in the event of the elected Honorary Treasurer being incapacitated then the functions and responsibilities assigned to him by these rules shall be temporarily transferred to the Chair or to such other members of the Trustees

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as it shall determine.

AUDITORS

- 20 The Independent Examiners for the Charity shall be engaged over the signature of the Honorary Treasurer or, in his/her absence, the Chair, having first been approved for appointment by resolution of the Charity at its Annual General Meeting.
- 21 The terms of engagement of the Independent Examiners shall be approved by the Trustees and signed on its behalf by the Honorary Treasurer or, in his/her absence, the Chair.
- 22 The Honorary Treasurer shall invite the Independent Examiners to the Trustees meeting at which the annual accounts are to be considered and also to the Annual General Meeting at which the annual accounts are to be presented.
- 23 Liaison, contact and correspondence with the Independent Examiners shall be conducted by the Honorary Treasurer on behalf of the Trustees or in his/her absence or if circumstances make it appropriate by the Chair.
- 24 The Treasurer shall, in accordance with any direction of the Trustees, liaise with the Independent Examiners in planning the annual financial examination of the Charity and its scope, and in monitoring its progress.
- 25 The Independent Examiners may inspect the financial records and activities of the Charity or any of its activities of proper concern to them at any time without notice and report their finding to the Trustees subject to the provision made in these rules concerning the Annual Financial Examination.
- 26 The Independent Examiners may provide a letter addressed to the Chair and Honorary Treasurer which shall be considered by the Trustees. Any response to the letter shall be approved by the Trustees and be signed by the Chair on its behalf. Any follow up action to the audit management letter shall be agreed by the Trustees and be implemented under the direction of the Honorary Treasurer. The Trustees shall monitor the progress of action taken in respect of the audit management letter and shall cause this to be recorded in the minutes of its proceedings.

- 27 The Honorary Secretary shall provide the Independent Examiners with copies of all Trustees meeting minutes and also with all Finance Sub-Committee minutes in preparation for their audit.
- 28 The Independent Examiners may, in addition, be required to undertake an assessment of such aspects of the Charity's financial policies, systems and procedures as may be determined by the Trustees and shall report back to the Committee thereon.

THE OPERATIONS MANAGER

- 29 The Operations Manager in consultation of the Honorary Treasurer shall ensure the proper custody and control of the Charity's capital assets, cash, stores and equipment and shall control expenditure against budget approved by the Trustees.

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- 30 The Operations Manager, in consultation with the Honorary Treasurer, shall co-ordinate the preparation of annual estimates of the income and expenditure of the Charity and the preparation of such other financial statements as the Trustees or the Honorary Treasurer may from time to time require including budget monitoring reports, cash flow statements and bank reconciliation's and shall ensure that monthly management accounts are prepared and reviewed by the Honorary Treasurer on behalf of the Trustees.
- 31 The Operations Manager shall ensure the security of cash, cheques and any financial instruments or bonds held on the Charity's premises and the arrangements made therefore may be inspected by the Honorary Treasurer or Independent Examiners at any time.

INVESTMENT POLICY

- 32 The Trustees shall, having first sought professional advice thereon, formulate and approve any investment policy for the investment of the Charity's funds not immediately required for use.
- 33 Statements of investment performance shall in all instances be addressed to the Honorary Treasurer and Chairperson and shall be inspected by the Trustees.
- 34 Full records of any investments shall be kept securely in accordance with arrangements approved by the Honorary Treasurer.

FRAUD AND FINANCIAL IRREGULARITY

- 35 Staff shall be informed (through inclusion of a notice to this effect in the Staff Handbook or similarly) that in cases where they suspect or know of any incident of fraud or financial irregularity, they should communicate this to the Operations Manager who will act according to rule 36 below and that having regard for the circumstances they may additionally or alternatively contact the Chair and/or Honorary Treasurer directly.
- 36 Every instance of fraud or financial irregularity, whether actual or suspected, shall be notified forthwith to the Chair and the Honorary Treasurer who will determine, normally in consultation with the Operations Manager, who shall investigate it.

37 Members of the Trustees and staff shall disclose to the Chair or other officer any personal interest in a contract of the Charity or other potential conflict of interest.

OPERATIONAL PRINCIPLES

38 The prime operational principle for the management of the Charity's financial and accounting procedures shall be that no one person is able to record and process a complete financial transaction and in so far as it may be possible to achieve this, there shall be an appropriate segregation of duties, tasks and responsibilities in relation thereto.

39 If so determined by the Trustees, and in addition to records being kept on such manual systems and books as may be necessary, the financial transactions and records of the Charity may be kept and maintained on a computer system designated for this purpose and to which no unauthorised staff shall have access. The authorisation of staff access shall require the approval of the Honorary

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Treasurer. Back-up copies of such computerised data shall be made regularly, and sufficient paper copies extracted to provide an adequate audit trail for all transactions.

40 The recording of the financial transactions of the Charity shall be done under the direction of the Honorary Treasurer in accordance with these rules.

41 The Honorary Treasurer shall extract a monthly trial balance and prepare management accounts in accordance with it, a copy of which shall be forwarded to the Operations Manager.

42 The security of all financial systems used within the Charity shall be monitored on behalf of the Trustees by the Honorary Treasurer who may periodically instruct the Auditors to review their adequacy as part of the assessment provided for in Rule 28.

43 The annual budget of the Charity including all its centres and activities wherever based shall be prepared under headings approved by the Trustees.

44 No virement, between items of income or expenditure, within approved budget headings, may be made without the authority of the Honorary Treasurer with subsequent ratification by the Trustees.

45 The Honorary Treasurer may also authorise virement between budget headings and shall report thereon to the Trustees; this may be done through the Finance Sub-Committee.

46 Where proposed expenditure additional to the total of an approved budget arises, then that proposal shall form a supplementary budget for approval by the Trustees, through the Finance Subcommittee where appropriate.

47 The Operations Manager, in collaboration with the Honorary Treasurer, shall monitor all budgets monthly and report thereon to the Trustees, through the Finance Subcommittee where appropriate.

48 Should unforeseen circumstances warrant urgent action to either increase or decrease the income or expenditure of the Charity's budget, or any part thereof, then such action may be taken on the

or expenditure of the Charity's budget, or any part thereof, then such action may be taken on the authorisation of the Honorary Treasurer and shall be reported to the Trustees at its next meeting, through the Finance Subcommittee where appropriate.

- 49 A schedule of grants receivable shall be maintained by the Honorary Treasurer and reviewed by the Trustees, normally through the Finance Subcommittee.
- 50 All invoices for grants and other income shall be raised under the direction of the Honorary Treasurer and numbered sequentially.

BANKING ARRANGEMENTS

- 51 Any bank account opened in the name of the Charity shall be with such bank and such branch thereof as the Trustees shall direct.
- 52 All incoming receipts shall be recorded in an Income Ledger on the day of receipt and banked gross without holdback of part or the whole of any receipts.
- 53 All incoming receipts shall normally be banked within three working days of having been received.

- 54 The Chair, Vice Chair, Honorary Treasurer and Honorary Secretary shall be official signatories for each and every bank account the Charity may have.

