

Financial Controls Policy

Intent

This policy sets out the basis on which Safe Sport International trustees protect the charity's assets, including its money and property; make informed decisions about the charity's financial position; and meet legal duties, for example to manage the charity's resources responsibly.

Principles

1. All trustees are responsible for the financial management of Safe Sport International and for implementing and monitoring SSI's internal financial controls.
2. The detailed work on financial controls is delegated to the Finance and Risk Sub-Committee and the Chief Operating Officer.
3. The Finance and Risk Sub-Committee and the Chief Operating Officer (COO) make reports and recommendations to the Trustee Board in accordance with the Finance and Risk Sub-Committee Terms of Reference.
4. Safe Sport International will seek professional advice wherever necessary.

The Charity Commission has issued guidance on internal financial controls which will be used to guide decisions: <https://www.gov.uk/government/publications/internal-financial-controls-for-charities-cc8>

Financial Year

1. The financial year will end on the **29th of April** each year.

Banking

2. Bankers are **Barclays Bank PLC**, Aylesbury Market Square, Leicester, Leicestershire, LE87 2BB
3. The charity shall have such current and deposit accounts as are deemed necessary by the Board.

4. The costs, benefits and risks of your charity's current and deposit accounts will be regularly reviewed by the Finance and Risk Sub Committee.
5. The charity will operate a postal and internet account unless the Board decides otherwise.
6. Appropriate security measures will be in place for online banking.
7. The charity will carry out regular reconciliations.
8. The bank mandate requires at least two signatories.

Accounting

9. Accountants are **James Cowper Kreston**, 2 Communications Road, Greenham Business Park, Greenham, Newbury, Berkshire, RG18 6AB
10. The accounts will be kept in accordance with the requirements of The Charities Statement of Recommended Practice and such other guidance or legislation is in place.
11. The Board will take due regard of any advice from the Chief Operating Officer, the auditor or other such accounting professional as is engaged in the maintenance of the accounts.
12. All accounting records shall be retained in safe custody for a period of six years.

Budgets

13. A budget shall be prepared by the Finance and Risk Sub-Committee and the Chief Operating Officer and agreed by the Trustee Board prior to the start of the new financial year in every year.
14. A quarterly account of income and expenditure shall be provided to the Trustee Board showing progress against the budget.
15. A cash flow will be produced each month if the charity is in financial difficulties or reserves are less than three months expenditure.

Payments, Commitments, Contracts and Large Purchases

16. The charity shall operate a debit/credit card with a limit of **£500** for small purchases which will be held in the name of the Chair and the COO.

17. Payments by debit/credit card between **£0 and £500** may be made by the COO or the Chair with retrospective authorisation.
18. The Chief Operating Officer has the authority to commit the charity to contracts or purchases up to the value of **£5000** with approval of the Chair and/or Vice Chair.
19. Over **£5000**, Trustee Board approval is required.

Authorisation of Payments

20. Payments are made to fit the SSI Budget and agreed project expenditure.
21. All invoices or payments are to be sent to COO. The COO will pass to the SSI Bookkeeper/Accountants to process for payment if the invoice matches contract / agreement / expectation. If unsure COO will check with the relevant project lead / committee chair / trustee.
 - a. Bookkeeper/Accountants logs in the accounts and schedules the payment.
 - b. ApprovalMax Step 1: Approver: Chief Operating Officer will approve for payment if the invoice is as expected.
 - c. ApprovalMax Step 2: Approvers: One of three Trustees to approve for payment. If unsure trustees check with COO in the first instance.
 - d. When payment is approved, Bookkeeper/Accountants will make payment.
22. Bookkeeper/Accountants will undertake due diligence checks prior to making payments.

Borrowing

23. A decision to borrow shall only be taken by formal agreement at a meeting of the Board.
24. All borrowing shall be carried out in the name of the charity.

Investments

25. The management of any surplus funds shall be made by guidance of the Board.
26. All investments shall be made in the name of the charity.
27. Investments shall be made with regard to environmental and other ethical concerns.

Income (receipts)

28. All monies received will be recorded promptly in the bookkeeping system and banked without delay (note this includes sundry receipts such as payment for telephone calls, photocopying etc.). The Charity will maintain files of documentation to back this up.
29. The charity will issue reference numbers to customers for them to use when making electronic payments, to ensure that receipts into the bank account can be traced to the customer easily.
30. If the charity runs any form of electronic bookings for its customers it will ensure that the system is reconciled to the bookkeeping system and that all customers who should be invoice are invoiced.
31. The Charity will keep a record of aged debtors and contact debtors every month.

Sources of Funding

1. The experience and connections of Trustees, Committee Members and Volunteers will be used to identify potential sources of funding.
2. The Finance and Risk Sub-Committee will establish principles by which SSI may choose to seek and accept funding through:
 - a. Donations (see below)
 - b. Sponsorship or Partnership Income (see below)
 - c. Grant applications
 - d. Product Sales
 - e. Consultancy
 - f. Events and conferences
3. In reviewing funding opportunities SSI will consider factors such as:
 - a. alignment with the SSI vision, mission or values;
 - b. amount of money involved;
 - c. frequency of donation / funding;
 - d. familiarity with the organisation and/or country of donation;

- e. risk of reputational damage;
 - f. stability of organisation;
 - g. level of oversight; etc.
4. Advice will be sought from Accountants, Lawyers, and other relevant perspectives as required.

Donations

1. The charity will use established online donations platform(s) so that donations can be made to support specific projects against target fundraising amounts.
2. Unexpected large donations will be identified by the Bookkeeper/Accountants and/or the COO during the bi-weekly reconciling of the bank account.
3. The process for review of unexpected large donations will be:
 - a. Direct contact with the donor would be made by the COO in the first instance to establish the background to the donation.
 - b. The Trustee Finance and Risk Sub-Committee would then review the information gained. Reviews will take into account factors such as:
 - i. alignment with the SSI vision, mission or values;
 - ii. amount of money involved;
 - iii. familiarity with the country of donation;
 - iv. risk of reputational damage; etc.
 - c. The Trustee Finance and Risk Sub-Committee shall decide the appropriate action to take, which may include:
 - i. acceptance of the donation,
 - ii. return of the donation, or
 - iii. further discussion with the full Trustee Board.

Sponsorship or Partnership Agreements

4. The Finance and Risk Sub-Committee will establish principles by which SSI may seek and accept Sponsorship or Partnership Income.

5. Prior to entering into a specific sponsorship / partnership agreement with 3rd parties the appropriateness of this will be reviewed by two trustees (most commonly the Chair and Vice-Chair) and the COO.
6. The experience and connections of the Chair and Vice-Chair will be used to examine history, value, relevance, suitability, risk, etc.
7. If unclear of the way forward the position would be reviewed by the Board of Trustees who would decide the appropriate action to take.

Areas of Operations

1. The Finance and Risk Sub-Committee will review areas of current or potential future operations (e.g. events, conferences, consultancy) as part of SSI Financial Risk Management.
2. Reviews will consider factors such as:
 - a. alignment with the SSI vision, mission or values;
 - b. amount of money involved;
 - c. familiarity with the source country;
 - d. risk of reputational damage;
 - e. stability of organisation;
 - f. level of oversight; etc.
3. Advice will be sought from Accountants, Lawyers, and other relevant perspectives as required.
4. The Finance and Risk Sub-Committee will make recommendations to the SSI Leadership and/or Board of Trustees.

Reserves

5. The charity will set aside a sum by way of a reserve against unforeseen contingencies. The purpose of a reserve is to mitigate against negative risk or provide working capital in case of positive risk or opportunity so we can:
 - a. Meet contractual liabilities in the event of the organisation shutting down.

- b. Meet programme expenses (including overheads) in the event of failure of programme funder (where we believe the programme should continue in the absence of the programme funder) or where the programme funder pays in arrears.
 - c. Fulfil our organisation values with respect to stability of employment for staff (given multiple time bound programme funding agreements).
 - d. Cover costs such as long-term sickness and maternity pay as required.
6. SSI will aim to hold minimum level of reserves in the region of **£10,000** as sufficient to meet short term obligations as they arise and allow the statutory duties of the charity to be fulfilled. This figure will be reviewed by the Finance and Risk Sub-Committee regularly.
 7. Unless specified within a contract or donation, when a restricted project has been delivered and KPIs have been met, any under-spend of less than 10% will be transferred to unrestricted reserves. Likewise, any over-spend of up to 10% will be covered by unrestricted reserves. Any over/underspend of more than 10% will be reviewed by the board and with the funding partner to agree a plan.

Salaries, Wages and Pensions

8. The payment of all salaries, wages, pensions, compensation and other earnings to all employees or former employees of the charity shall be made under arrangements approved and controlled by the COO in consultation with the Chair of the Board
9. The COO shall be informed of all matters affecting the payment of such earnings, including: Information necessary to maintain records of service for superannuation, income tax, national insurance SMP, SSP etc.
10. All time records or other pay documents shall be in a form laid down by the COO and shall be certified by or on behalf of the COO.

Related Policies:

- SSI Expenses Policy
- SSI Risk Management Policy

Policy Review

This policy will be reviewed annually by the Trustee Board.

Document control:

Date	Version	Nature of change(s)
4 April 2024	DRAFT V.1.1	New document created
13 June 2024	V1	Approved by SSI Trustees