



Financial Controls Policy

Version 1.0

Approved by the Committee XX

Purpose

The purpose of this policy is to provide guidance to those who are involved with managing Nidd United JFC funds and to ensure that there are adequate internal financial controls over the club's assets and their use.

Scope

This policy applies to all individuals involved in managing and overseeing the financial activities of the Club. It encompasses all aspects of financial management, including the handling of club funds, authorisation of expenditures, management of donations and sponsorships, maintenance of financial records, and the implementation of financial controls to safeguard the

Committee Responsibilities

The Committee members of Nidd United JFC are responsible for:

- Safeguarding the assets of the charity.
- Identifying and managing the risk of loss, waste, theft, or fraud.
- Maintaining a prudent level of reserves to ensure the club is solvent in the event of unforeseen costs.
- Ensuring the financial reporting is robust, transparent, and of sufficient quality.
- Keeping financial records in accordance with relevant legislation.
- Preparing Annual Accounts in accordance with relevant legislation.
- Ensuring the accounts show a true and fair view of the financial affairs of the Club.

The Treasurer will maintain complete financial records and prepare the accounts for the Club using a reliable accounting software. To enable members to carry out their responsibilities, the financial procedures below will be followed.

Controls over Expenditure

The Committee are responsible for the proper expenditure of club funds and have to account for how the club's funds have been applied. This is done in two stages:

- **Budget Approval** - Budget holders first approve expenditure within the accounting software, ExpensePlus. This responsibility ensures that club funds are spent appropriately. The person submitting the expenses or payment cannot approve their own expenditure.
- **Bank Authorisation** - After budget approval, two Committee members with bank signatory access are required to authorise all payments made from the club bank account. This responsibility ensures the security of the club's funds and the accuracy of payments.



Approval limits

Budget approval within ExpensePlus is required for all purchase over £100. Purchases less than £100 do not need approval in ExpensePlus but where possible, verbally approved by a committee member before the purchase is made.

Controls over Donations and Sponsorship

When a donation or sponsorship is offered to the Club, the Committee is responsible for checking if the donor is personally known to the club, is of good reputation and that any attached conditions are acceptable, supporting the club's purposes without introducing conflicts of interest.

If the donor or sponsor is not known to the Club, the Committee must carry out a [Know Your Donor/Sponsor Procedure at Annex A](#). Donors or sponsors that do not align with the ethos of Nidd United JFC must not be accepted.

Reserves

The Committee shall manage its reserves (unallocated funds) to ensure that sufficient provision is made for future commitments by holding a contingency fund to enable Nidd United JFC to operate through unforeseen restrictions on income. The Committee will review the contingency funds requirement annually when setting the next season's budget. Reserves over and above the contingency funds can be assigned to capital projects.

Banking

Bank Accounts

- All accounts with banks or other licensed deposit takers must be in the name of Nidd United JFC, with the Treasurer's home address used as the Club's address. The bank shall be operated as dictated by the policy below.
- New accounts may only be opened by a minuted decision of the Committee members. Changes to the bank mandate may only be made by a minuted decision of the Committee members.
- The three authorised signatories for all bank accounts are the Chairman, Treasurer, and Secretary.
- The Club does not use cheques or debit/credit cards. It does use prepaid business cards provided by Equals.

Online Banking

For online accounts, only the authorised signatories (above) shall have access to the facility. The security of the online system follows the arrangements offered by our bank. The system has dual authorisations for all payments and a passcode with 2FA.

Operation of the online banking services is under the control of the Treasurer, who has full access rights, as agreed by the Committee and in accordance with the bank mandate. The bank mandate



must be updated by the Treasurer as soon as a signatory no longer holds the Committee role requiring access.

Payment by Equals Cards

The Treasurer and those Committee members who need them, will be issued with a pre-paid Equals Card. These cards are used to pay for online purchases of goods and services related to the Club operations. Committee members should apply to the Treasurer if they require an Equals card. They are only to be issued by the Treasurer after the applicant has [read and agreed to the Expense & Purchasing Policy here](#).

Claiming Out-of-Pocket Expenses

Prior approval must be given by the appropriate budget holder for any club expenditure a volunteer makes using their personal bank cards, with the aim of claiming the expense back from the club.

Out-of-pocket expenses are to be claimed back through ExpensePlus. ExpensePlus accounts may be issued to any club volunteer but they will only be issued by the Treasurer to a volunteer after they have [read and agreed to the Expense & Purchasing Policy here](#).

Taking Card Payments

Where the club operates card machine(s) to take payments for team tuck shops or food stalls etc, any income (less commission) is received in the club's current account. Income will be held in designated funds for individual teams where it has been collected at team events. Where it has been collected at Club events, it will be deposited into the Club's General Fund. Card details are not to be collected or stored in any way and will be anonymously processed by the card machine provider.



Annex A

Know Your Donor/Sponsor – Key Questions

These questions are not intended to be asked in respect of each donor/sponsor. However, the Committee may need to consider them depending on the risk, including the size and nature of the donation/sponsor, and whether it appears to have any suspicious characteristics.

General Information

- Who are the donors/sponsors?
- What is known about them?
- Does the Club have a well-established relationship with them?
- Do any additional identity checks need to be made?
- In what form is the money being received? Cash, cheque, bank transfer?
- Have any public concerns been raised about the donor/sponsors or their activities?
- Would any adverse publicity about the donor have a damaging effect on the Club?

The Nature of the Donation/Sponsorship and Any Conditions

- How big is the donation/sponsorship?
- Is it a single donation/sponsorship, or one of a number of regular donations/sponsorships, or the first of multiple future donations/sponsorships?
- Are there unusual or substantial one-off donations/sponsorships?
- Does the donation/sponsorship come with any conditions attached? What are they? Are they reasonable?
- Is the donation/sponsorship conditional on particular organisations or individuals being used to apply the funds?
- Is the donation/sponsorship conditional on being applied to benefit particular individuals either directly or indirectly?
- Is there a suggestion that the Club is being used as a conduit for funds to a third party?
- Is the donation/sponsorship in sterling or another currency, perhaps with a requirement that the donation be returned in a different currency?
- Are any of the donors/sponsors based, or does the money originate, outside the UK? If so, from which country? Does this country/area pose any specific risks?
- Is anything else unusual or strange about the donation/sponsorship?

What the Committee Should Do if They Are Suspicious

- If due diligence checks reveal evidence of crime, the Committee must report the matter to the police and/or other appropriate authorities.
- If the Committee have reasonable cause to suspect that a donation/sponsorship is related to terrorist financing, they are under specific legal duties under the Counter-Terrorism Act to report the matter to the police. In the case of money laundering, reports can be made to the police, a customs officer (HMRC), or an officer of the National Crime Agency.
- Check the donor/sponsor against the consolidated lists of financial sanctions targets and proscribed organisations.
- Consider whether to refuse the donation/sponsorship.