



STAFFORDSHIRE FEDERATION OF YOUNG FARMERS' CLUBS

YFC Centre, County Showground, Weston Road, Stafford, ST18 0BD

President: David Heminsley **Chairman:** George Goodwin
Treasurer: Angela Woodward **Organiser:** Julia Taylor



Charity Governance, Finance and Resilience Document

Final Version, approved at the County
Executive Meeting, 23.06.16



01785 248645



countyoffice@staffsyounfarmers.org.uk



staffsyounfarmers.org.uk

Registered Charity No. 522815

Applicable to: the County Federation its affiliated Clubs

What is this document?

The guidance outlined in the document is to help all Club and County Trustees and Officers understand their obligations and duties within YFC. All officers and trustees, as part of their duties, should act in the best interests of their club and its members. They should protect and safeguard the assets of the club. They should always act with reasonable care and skill. The points below are designed to help a club to look at its financial management, governance and resources.

Why?

As registered charities to the Charity Commission for England and Wales, all Clubs have a duty of care to safeguard their charity, its members and its finances. YFC is no different to any other charitable organisation with regard to current legislation and having the correct procedures in place.

Points for all Clubs and the County Federation to consider and discuss when reviewing their Charity Governance and its finances.

1. What effect is the current economic climate having on our club and its activities?

For example:

- Are we focusing on the right things, or have we drifted into activities that are over and above our core charitable aims? If we have, should we stop those activities?
- How stable and reliable is our funding to support the Club programme and activities? If we are relying on a single source of income (such as grant funding or one large social event), should we look at other sources of funding?

2. Are we financially strong enough to continue to provide services for our members?

For example:

- Do we have up to date information about our Club finances, cash flow and debts/obligations? The financial information provided at each Club Business meeting should typically include:
 - the latest set of club accounts
 - a breakdown of recent events with income, expenditure and surplus
 - details of cash flow and closing bank balances
- Is our current membership subscription giving our members value for money?

3. Do we know what impact the social and/or economic climate is having on our sponsors and supporters for our Club?

For example:

- Is it possible to diversify or broaden our sources of income?
- Do we need to rethink our fundraising strategy?
- Have we considered other factors that might influence our supporters? Reputational issues and any of a club's policies can affect the support of its donors, for example negative press coverage, unsuitable social media photos, disorganized club management, lack of communication.

4. What is our Club policy on reserves?

For example:

Do we have a reserves policy? It is good practice for a club to have reserves. The level at which your club runs its reserves, is decided by your Club trustees.

5. Are we satisfied with our banking arrangements and our current and future investment policy?

For example:

- How often do we review our banking arrangements?
- Does our bank offer the range of services that we need?
- Have we considered the costs and benefits of our current and deposit accounts to ensure competitive interest rates?
- Are our deposits protected by the Financial Services Compensation Scheme?
- Have we considered the services offered by other banks with a view to switching our provider?
- Are our signatories on the bank account up to date annually and in a timely manner?

6. Have we reviewed our equipment that we own? Have we had our trophies valued?

For example:

- A club that owns its own marquee or trailer, is not covered by the YFC NFU Mutual Insurance.
- Trophies owned by a YFC Club must be listed with the club and must be valued at least once every 5 years.
- Trophies should be signed for and an up to date log kept of the details.
- It is advisable that at every AGM, a list of equipment and trophies are reviewed.

7. If we have a pension scheme, have we reviewed it recently?

Applicable to the County Federation only.

8. Does the Club have an effective trustee body?

For example:

Do they understand:

- the Club's Charity purposes as set out in its governing document (Constitution)?
- what our Club will do, and what we want it to achieve?
- how all of the Club's activities are intended to further or support its purposes?
- how the Club benefits the members by carrying out its purposes?

9. Do we have adequate safeguards in place to prevent fraud? For example:

- Do we have proper financial controls and procedures in place to prevent fraud?
- How is cash stored?
- What is the time frame for banking cash. Good practice is within 48 hours of being taken. Within those 48 hours, cash must be kept in a lockable safe or suitable safe place.
- Any individual is only insured for up to £5000 at any one time.
- Any events with £10'000 or more should have cash transported by a suitable security firm.
- What is the Club policy with regard to ticket sales, collecting monies.
- Does the club issue receipts for all cash and cheque transactions?

10. Do we advertise our events clearly and in accordance with Charity Commission guidelines?

- A registered charity CANNOT donate monies directly from its account to another registered charity, ie gift the money.
- A registered charity can fundraise for another charity; however this must be clearly stated on all promotional material with specific detail of what the monies are to be used for.

11. Do we hold our Club Annual General Meeting (AGM) in accordance with our Club Constitution?

- Are the end of year accounts fully audited beforehand with copies available on the night?
- Are all members, advisory, vice Presidents, president invited to attend?
- Do we ensure that the quorum of voting members, aged 10 – 26 years are present?

- Do we give the appropriate number of days notice for the AGM?
- Do we hold a Pre- AGM in order to establish interest for future club officers and to ensure all arrangements for the meeting are in place?
- Do we hold an Extra-Ordinary AGM if the accounts have not been audited in time?

For example, “Allgood YFC” is holding a disco. They would like to donate the surplus to the Midlands Area Ambulance. Specifically, they would like it to go towards the purchase of a new helicopter in the midlands. All posters and tickets must state the following *“Proceeds from this disco will be donated towards the new helicopter for the Midlands Area Ambulance Service”*

- Clubs should make the decision on which charity and what aspect of the charity it to benefit, in their club business meetings. This must be recorded in the club minutes.
- Clubs should not hold a “Charity Account”. Any funds to be donated from an event to another charity should be stated in the accounts as “restricted” and full details of the event should be itemized in the accounts.
- Any events which are raising funds for the club or county, should again, state this clearly on all promotional material and social media.

11. Are we making the best use of the financial benefits we have as a charity?

For example:

- Do we understand how to make the most of Gift Aid?
- Are we aware of any government financial help available for charities? If yes, have we considered whether it is appropriate for our charity, and whether to apply for it?
- Have we looked into other types of financial help only available to charities? For example loans and grants from other organisations and charities.

12. Are we making the best use we can of our property?

Applicable to the County Federation only.

In summary, all Club Trustees and Club Officers are bound charity law to act, first and foremost, in the best interests of the club and its members. They should be familiar with the clubs constitution, current policies and have a good understanding of how their club is running on a regular basis.

Training for all Club Trustees, Club Presidents and Club Officers is offered to by Staffordshire YFC.

Circulated at the Club AGM Training Night 12.07.18