

IUSTI Finance Policies January 2024

This document contains the following policies:

- *Policy on Receipt of Hospitality and Gifts*
- *Finance Scheme of Delegation*
- *Policy for Reporting Suspicious Activities to the Charity Commission and other relevant authorities*
- *Policy for Provision of Loans or Grants*
- *Financial Reserves*
- *Investment of Charity Funds*

Policy on Receipt of Hospitality and Gifts

A Trustee shall not receive any payment of money or other material benefit (whether directly or indirectly) from the Charity except:

- reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) incurred in running the Charity, subject to approval.
- an indemnity in respect of any liabilities properly incurred in running the Charity (including the costs of a successful defence to criminal proceedings)
- payment to any company in which a Trustee has no more than a one per cent shareholding
- in exceptional cases (but only with the written consent of the Trustees) other payments or benefits

Any Trustee or Connected Person (or any firm or company of which a Trustee or Connected Person is a member or employee) may enter into a written contract with the Charity to supply services in return for a payment or other material benefit but only if:

- the services are actually required by the Charity
- the nature and level of the remuneration is no more than is reasonable in relation to the value of the services
- no more than one third of the Trustees are subject to such a contract in any financial year

Finance Scheme of Delegation

All financial transactions will be monitored by the trustees as a standing agenda item at Trustee meetings. The Charity annual report will include a finance report which has been reviewed by an independent expert or auditor.

The following delegation of trustee powers will be exercised:

- Treasurer
 - authorisation of expenditure up to a maximum of £5000 on each occasion. Any such expenditure will be reported to the trustees at their next meeting.
 - authorisation of expenditure over £5000 will be reviewed by the Trustees and only actioned when a minimum of two Trustees provide approval.

Policy for Reporting Suspicious Activities to the Charity Commission and other relevant authorities

The Treasurer and Trustees will review the charity's financial position at each Trustee meeting. If the Trustees identify any activities which they regard as fraudulent or illegal these will be reported to the Charity Commission and other relevant authorities.

Policy for Provision of Loans or Grants

The Charity provides loans or grants in furtherance of its objectives. The Trustees will undertake a risk assessment prior to approving the loan or grant. This will include:

- ensuring that the loan or grant is compliant with the Charity objectives and UK Charity law
- ensuring that the recipient has appropriate financial structures in place to manage the loan/grant
- identify what financial reporting will be required from the recipient to confirm appropriate use of the loan/grant
- identify and mitigate financial risks associated with providing the loan/grant
- identify and mitigate reputational risks associated with providing the loan/grant

Financial Reserves

The Charity will maintain adequate reserves to operate for at least 4 years in the absence of new income. The Financial Reserves policy will be reviewed annually.

The balance of reserves will be invested within Charity Commission guidelines either in a cash account or in alternative investments after taking professional financial advice, if appropriate, and adopting a low to medium risk approach.

Investment of Charity Funds

The Trustees will comply with UK Charity Law and Charity Commission guidance on investment of Charity Funds.

These Finance Policies were approved by the Trustees on 11th March 2024