



GLOBAL CHALLENGE (GC) FINANCE POLICY & MANAGEMENT OF ASSOCIATED RISKS

Financial management involves planning, organising, controlling and monitoring of GC's resources in order to achieve its objectives.

Trustees' responsibilities

Trustees are responsible for the general control and management of GC, ensuring it is solvent and well run and banking arrangements are suitable for GC's needs. Care and skill will be exercised when making decisions. Banking arrangements will be reviewed annually. Decisions will be justified based on relevant issues and minuted.

Internal financial controls

GC has in place robust controls to protect against fraud and theft and help the trustees meet their legal duties to safeguard GC's assets and reduce the risk of loss.

- funds donated will be banked monthly, or more often. If donated at Queen's Road Baptist Church (QRBC,) they will be kept secure in the safe until passed to a nominated trustee.
- cheque books will be kept in a safe place.
- blank cheques will not be pre-signed.
- authorisation arrangements will be in place for outgoing cheques, and transfers - BACS or International. A second trustee will always check if these authorisations are correct.
- outgoing standing orders or direct debits will be agreed by all trustees.
- a debit card may be used for payments.
- passwords will be changed periodically. PCs must be updated with anti-virus, spyware and firewall software.
- unopened post at QRBC will be kept secure.
- an expense policy for trustee visits to Uganda is in place. Other expenses must be specifically agreed by the trustees (e.g. promotional material).

In case of identification of a large or unusual donation GC would:

- make every effort to trace the donor
- alert the bank
- alert the trustees and minute the incident

Budgeting

An annual budget will be agreed each March that specifies:

- expected income.
- expected expenditure for each designation.

Expenditure versus budget will be reviewed at each trustees' meeting, and any significant over or under-spend will be questioned and resolved.

Personal Gifts

Personal gifts to a particular person in Uganda should only be transferred through the Global Challenge Bank Account at the discretion of the trustees. These gifts must be approved by all trustees at a trustee meeting.

Advice may be suggested to the giver of the ways they can support that person through the charity's projects, e.g., purchase livestock, school equipment etc.

The charity may at times donate a gift of thanks or support to an individual in Uganda. Again this should be agreed at a trustee meeting.

Accounting controls in Uganda

Trustees will ensure that high standards of accountability and stewardship are in place, and require:

- a monthly GC income & expenditure report, supported by bank statements and bank reconciliation
- a copy of the teacher's payroll, receipts for the supplies purchased for school meals, as well as receipts for all other agreed expenditure by GC trustees.

Photos of the receipts will be sent electronically by the Coordinator or directly from SN Co-ordinator (for special needs expenditure).

Trustees visit Uganda each year to ensure that accounting procedures are being adhered to.

Reports

GC has a legal duty each year to submit to the Charity Commission: -

- accounts, examined by an independent examiner, which must both be kept for at least 6 years
- receipts & payments accounts
- trustees' annual report

Solvency

GC will ensure that it has at least 3 months of money in reserve. If GC can't pay its debts, it could become insolvent and face administration or closure. The trustees could be liable for its debts. Action will be taken quickly, and professional advice sought. An insurance policy is held by GC to cover such eventualities.

GC will keep this policy under review on an annual basis.

Procedure Agreed & Adopted: April 2021

Reviewed: 8 February 2024 (see Minutes 4.2)

by GC Trustees

To be reviewed annually thereafter.