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Hull and District Chess Association Charitable Trust : Financial Strategy

This document sets out the Charities Financial Strategy - how funds will be deployed to the achievement of public benefit and the delivery of the Trusts Chess strategy. By law the Charity must spend the income it receives within a reasonable period of time and it will be the intention of the Trust to ensure the full income received is expended each year in line with the investment strategy. A reserves strategy will determine the level of reserves and their deployment.

Club responsibilities

The Association expects every club to cover its own running costs and expenses.

Association core costs

The Association expects income from running league and cup tournaments, together with running costs of the Association, including insurances, to be met from income from clubs/players. Annual fees will be set and agreed at the AGM.

Ross Account.

The Association will keep faith with the Ross Fund legacy in that its use will be as a promotion and development fund and not to underwrite 'normal' league and cup resource requirements. Expenditure will be budgeted, annually, and agreed by the Trustees. The legacy will be invested in line with the Associations Investment Strategy and budgeted in line with its strategy and public benefit.

Trust Annual Budget – Ross Legacy Income

Apart from Association core and congress income (treated separately), the income from the Ross Legacy will be deployed annually on a budget agreed before or at the start of the financial year by all Trustees against the following headings.

Budget Heading

Public events and Chess Promotion and advertising
Players and club development, increasing membership
Junior Chess
Yorkshire Matches
Peter Hughes incentive scheme
Annual GM Simultaneous
Contingency

General

Budgets and budget holders will be agreed by the Trustees on an annual basis for each budget line above. Budget holders will have delegated authority from the Trustees in respect of expenditure, but they will report back to Trustees at each meeting on that expenditure and how it has contributed to the public benefit and the Chess strategy. They must also prepare a short annual account of expenditure and achievement for the AGM. In special circumstances they will also be permitted to request contingency funds where their allocation proves insufficient.

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Public events and Chess Promotion and advertising/players and club development, increasing membership/Junior Chess

These funds, which form the bulk of the Charities annual (non congress) expenditure, will be spent strictly in accordance with the Charities agreed Chess strategy. Any items of expenditure over 20% of the annual budget (per heading) must be agreed by the Trustees or, where a more urgent decision is required by the President, Treasurer and General Secretary.

Congress

Although funds will be held in reserve to cover potential congress losses, the congress will be expected to be broadly 'self-funding', and will be budgeted separately to the income from the Ross Legacy. Any profits from the congress will be added to the next years congress account or used to maintain a congress reserve.

Yorkshire Matches

The allocated budget may be used for venue costs, travel expenses and provision of entertainment for away players. All players will be expected to be ECF Members and the Association will not be responsible for grading fees. The only exception will be in cases of genuine hardship where the match captain may agree a subsidy in respect of grading fees.

Peter Hughes Incentive Scheme

Payments to the winner and runner up in the Peter Hughes Trophy will be paid in respect of the scheme agreed by the Trustees.

Annual GM Simultaneous

Expenditure on the annual simultaneous must be agreed by the Trustees.

Contingency

The contingency fund will be controlled by the body of Trustees or, where a more urgent decision is required by the President, Treasurer and General Secretary. It is the intention that the full amount of the contingency is spent each year in line with the charities strategy.

Expenses Policy

The Association will approve expenses where these have been ***previously agreed*** with the Treasurer and are in line with the strategy. Petrol expenses will be re-imbered, where claimed, at the cost of petrol only as a 'fair' MPG. The Treasurers decision in all expenses claims will be final.

Reserves Policy

The Trust will keep 'in reserve' a sum equivalent to the annual deployment of income from the Ross legacy, together with one year's Association core running costs. In addition the full cost of one year's total congress costs will be held in a congress reserve. These reserves will be deployed should there be a shortfall in congress or Association running costs in any year. They are basically money we will keep aside for 'emergencies' and to minimise any short term financial risk from variations in the capital provision of the Charities Investment Funds.

Approved by the trustees at their meeting on 03/02/15

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Appendix

The following is an indicative only illustration of year one budget allocations. As this will be the first year of income from the Ross Fund this might require review during the course of the year.

Budget Heading	Budget	Trustee Budget holder
Public events and Chess Promotion and advertising	£ 700	(Publicity Officer)
Players and club development, increasing membership	£1,000	(President)
Junior Chess	£1,125	(Youth Development Officer)
Yorkshire Matches	£ 300	(Match Captain)
Peter Hughes incentive scheme	£ 250	(Cup Controller)
Annual GM Simultaneous	£ 600	(General Secretary)
Contingency	£1,000	(Trustees)
Total	£5,000	