



Hull and East Riding 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 separate reserves strategy will determine the level of reserves and their deployment.

1. *Club Responsibilities*

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

2. *Association Core Costs*

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

3. *Ross Legacy Income.*

The Charity 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 Charities Investment Strategy and budgeted in line with its strategy and public benefit.

4. *Trust Annual Budget*

The Charity will set an annual budget before the start of each financial year which will be agreed by the Trustees. Progress of spend against the budget throughout the year will be monitored by the Treasurer and reported to each meeting of the Trustees.

Budgets and budget holders will be agreed by the Trustees on an annual basis for each budget line. Budget holders will have delegated authority from the Trustees in respect of expenditure, but they will report back to Trustees as required 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.

Any potential overspend against the budget must be agreed in advance by the Trustees or where a more urgent decision is required by the President, Treasurer and General Secretary.

5. *Main Areas of Annual Expenditure*

5.1. 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.

5.2. Congress

The budget of the annual congress will be set in line with the Chess Strategy, bearing in mind any potential impact on other areas of the Strategy

5.3. Yorkshire Matches

The allocated budget may be used for venue costs and provision of refreshments for away players. It is expected that travel expenses and other costs will be covered by match fees.

5.4. 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.

5.5. Chess Events (GM Simultaneous, Player Training and other events)

The Charity may subsidise these events but it is expected that participants will contribute towards the costs. Association expenditure must be agreed by the Trustees as part of the annual budget cycle.

5.6. 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.

5.7. Expenses Policy

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

Change History

Issue	Date	Summary of Changes	Author
1	Jan 2010	Document revised	
2	Sep 2023	Name changed from HDCA to HERCA	Keith Porteous