|  |  |
| --- | --- |
| **CN Logo.JPG** | **Financial Strategy**  **2020 -2024** |
| **Author:** | Peter Stonell |
| **Last approved by Trustees:** | N/A – First Draft |
| **Approved by Trustees:** | 15 October 2020 |
| **Date next Review due:** | October 2023 |

1. **Introduction and means of review**
   1. This document seeks to outline the financial strategy for Carers Northumberland (CN) for the period 2020 -2024 agreed by the Trustee Board.
   2. The strategy will be kept under regular review by the Financial Strategy Group (FSG).
   3. The FSG will meet regularly in accordance with its Terms of Reference. Its primary function is to oversee CN’s finances. The FSG has the remit to advise and make recommendations to the Trustee Board on financial matters.
   4. The Trustee Board is responsible for financial decision making.
2. **Funding Strategy**

The Trustee Board’s funding strategy is to establish an annual budget which ensures:

* + - that budgeted expenditure on core activities is limited to the amount of anticipated core funding
    - all projects undertaken are subject to “full cost recovery”, including a contribution to the core costs of delivering the project.

1. **Funding Streams and Income generation**

Core funds in the form of grants will be agreed annually between Carers Northumberland and

* The Local Authority
* The Clinical Commissioning Group

Opportunities for project funding (as grants) for additional carer support services will be pursued as they arise, where the Trustee Board agrees they meet the aims and objectives of the charity.

Opportunities for diverse income generation will be considered where they offer a realistic and sustainable funding stream without affecting core work.

1. **Reserves Policy**

Carers Northumberland has a Reserves Policy which is reviewed and agreed annually by the Trustee Board ahead of setting the budget for the next operational year.

1. **Investment Policy**

The investment policy is documented within the Reserves Policy and is reviewed at least annually by the Board. The FSG will monitor the ongoing suitability of investment products and advise the Board of any recommended changes.

**Financial Risks**

Financial risks will be captured and monitored via the Organisational Risk Register, which is considered at every Trustee Board meeting. The FSG will consider financial risk when making recommendations to the board.

The aim of risk assessment is to identify potential risks and their potential impact and consequences to Carers Northumberland. Following which, action will be taken to remove or ameliorate the risk.