THE CRIMINAL BAR ASSOCIATION

GOVERNANCE PAPER

Financial Procedures

Made under Part 10 of the Constitution

1. Purpose and Scope

1.1 These Financial Procedures govern the practical operation of the financial affairs of the Criminal Bar Association ("the Association").

1.2 They give effect to Part 10 of the Constitution and are to be read alongside the Constitution. In the event of any inconsistency, the Constitution prevails.

1.3 They apply to all financial transactions, banking arrangements, contracts and financial reporting of the Association.

2. The Financial Year and Accounts

2.1 The financial year of the Association runs from 1st September to 31st August in each year, in accordance with clause 10.1 of the Constitution, save where the Executive Committee otherwise determines.

2.2 The Association shall maintain proper books of account and such financial records as are required by law and good practice, in accordance with clause 10.2 of the Constitution.

2.3 The accounts of the Association shall be examined annually by the Association's accountants, as appointed by the Executive Committee from time to time, in accordance with clause 10.3 of the Constitution.

2.4 The accounts, together with the report of the accountants, shall be presented to the Annual General Meeting in accordance with clause 10.4 of the Constitution.

3. Roles and Responsibilities

3.1 The Treasurer has day-to-day oversight of the financial affairs of the Association, in accordance with clause 10.5 of the Constitution, and is responsible for:

(a) preparing the annual budget for consideration by the Executive Committee;

(b) overseeing financial transactions and the maintenance of the books of account;

(c) liaising with the Association's accountants;

(d) reporting to the Executive Committee on the financial position of the Association;

(e) preparing the Treasurer's annual report for the Annual General Meeting.

3.2 The Administrator supports the Treasurer in the operational maintenance of financial records, the processing of subscriptions, the handling of expense claims, and liaison with the Association's accountants. The Administrator reports to the Chair and Vice Chair in accordance with clause 5.4 of the Constitution.

3.3 The Officers (collectively) are responsible for high-level financial governance, including approving the annual budget and significant financial decisions.

3.4 The Executive Committee is responsible for matters reserved to it by the Constitution and these Procedures, including:

(a) determining annual subscription rates (clause 10.6 of the Constitution);

(b) appointing the Association's accountants (clause 10.3);

(c) fixing the contract value threshold above which Executive Committee approval is required (clause 10.15 of the Constitution);

(d) fixing the consultant fee threshold above which Chair and Vice Chair approval is required (clause 5.11 of the Constitution);

(e) establishing designated or restricted funds (clause 10.14);

(f) authorising any overdraft (clause 10.11).

4. Banking

4.1 The bank accounts of the Association shall be held in the name of the Association, in accordance with clause 10.9 of the Constitution.

4.2 Any bank account of the Association is capable of being drawn upon by the Treasurer and the Administrator, or such other persons as the Executive Committee shall from time to time determine, in accordance with clause 10.10 of the Constitution.

4.3 Standing signatories shall be confirmed on each change of Treasurer, Chair or Administrator. The Administrator shall maintain the up-to-date list of authorised signatories with the Association's bank.

4.4 Payments above such amount as the Executive Committee from time to time determines shall require dual authorisation by two of the authorised signatories.

4.5 The Officers may authorise any bank account of the Association to be overdrawn up to a limit fixed by the Executive Committee, in accordance with clause 10.11 of the Constitution.

4.6 Bank statements shall be reconciled monthly. Reconciliation shall be performed by the Administrator and reviewed by the Treasurer.

5. Subscriptions

5.1 The Executive Committee shall determine the rate of annual subscription payable by each category of member, in accordance with clause 10.6 of the Constitution.

5.2 Subscription rates shall be reviewed annually by the Executive Committee, ordinarily in conjunction with the budget for the following financial year.

5.3 Subscriptions shall be collected through such means as the Officers from time to time approve. The Administrator is responsible for the operational collection of subscriptions and the maintenance of the subscriptions register.

5.4 A member who has not paid the subscription due may, after reasonable notice and reminder, cease to be a member in accordance with clause 3.12(b) of the Constitution.

5.5 The Executive Committee may approve discretionary waivers, deferrals or reductions in particular cases, in accordance with the spirit of clause 1.6(j) of the Constitution. Discretionary arrangements shall be recorded by the Administrator.

6. Expenses and Reimbursement

6.1 The Association shall reimburse reasonable expenses properly incurred by Officers, members of the Executive Committee, members of Subcommittees, the Administrator and the Director of Communications in connection with the legitimate business of the Association.

6.2 Expense claims shall be:

(a) submitted in writing to the Administrator on such form as the Treasurer may prescribe;

(b) supported by receipts or other reasonable evidence of expenditure;

(c) submitted within three months of the expenditure being incurred, save in exceptional circumstances.

6.3 Expense claims by the Treasurer shall be approved by the Chair. Expense claims by the Chair shall be approved by the Vice Chair.

6.4 Recurring operational expenses (including those arising from the use of personally owned infrastructure in the service of the Association) shall be the subject of separate written agreement, in accordance with the relevant Engagement Letter.

7. Contracts

7.1 The Chair has authority to enter into contracts on behalf of the Association without the need for prior authorisation from the Executive Committee, save that in relation to any contract with an annual value exceeding the threshold determined by the Executive Committee from time to time, the Chair shall require the prior authorisation of the Executive Committee, in accordance with clause 10.15 of the Constitution. 7.2 The current threshold for prior Executive Committee authorisation is [£ — to be set by the Executive Committee].

7.3 A copy of every contract entered into by the Association shall be retained by the Administrator within the Association's dedicated storage systems.

7.4 The Chair may delegate the practical conduct of contract negotiation to the Treasurer, the Administrator or such other person as is appropriate, but the authority to bind the Association by contract remains with the Chair, subject to clause 7.1.

8. Staff and Consultants

8.1 The Officers may appoint and dismiss staff and consultants in accordance with clauses 5.10 and 5.11 of the Constitution. Clause 5.10 is expressly subject to the operational appointment provisions at clauses 5.1 to 5.9 of the Constitution, which govern the engagement of the Administrator and Director of Communications.

8.2 Any consultant fees exceeding the threshold determined by the Executive Committee from time to time shall be approved in advance by the Chair and Vice Chair, in accordance with clause 5.11.

8.3 The current threshold for Chair and Vice Chair approval of consultant fees is [£ — to be set by the Executive Committee].

8.4 The Terms of Engagement of the Administrator and (where appointed) the Director of Communications govern those operational appointments and are subject to Part 5 of the Constitution. The Digital Estate Terms of Engagement separately govern the ownership and licensing of the Association's digital estate.

9. Designated and Restricted Funds

9.1 The Executive Committee may establish designated or restricted funds for specific purposes, in accordance with clause 10.14 of the Constitution.

9.2 Designated and restricted funds shall be:

(a) recorded separately in the books of account;

(b) used only for the purpose for which they were established;

(c) reported on separately in the Treasurer's reports.

9.3 Bursary, scholarship and hardship schemes shall, where practicable, be funded separately from the general operating funds, in accordance with clauses 10.12 and 10.13 of the Constitution and the Hardship and Bursary Framework.

9.4 Any surplus arising in any financial year shall be applied for the objects of the Association, in accordance with clause 10.7 of the Constitution. No part of the income or property of the Association shall be paid or distributed to members otherwise than in proper performance of their duties or in reimbursement of legitimate expenses, in accordance with clause 10.8.

10. Procurement

10.1 In selecting suppliers and service providers, the Officers shall:

(a) have regard to value for money, quality and reliability;

(b) avoid conflicts of interest, in accordance with the Conflicts of Interest provisions of the Complaints, Conduct and Behaviour Policy;

(c) where the value of the engagement exceeds the contract threshold under clause 7.1, obtain comparative quotes where reasonably practicable.

10.2 The Administrator shall maintain a register of significant suppliers and service providers.

11. Audit and Examination

11.1 The Treasurer shall make available to the accountants such books, records and information as are necessary for the annual examination.

11.2 The Officers shall consider any management letter or recommendations issued by the accountants, and shall report to the Executive Committee on any significant matters arising.

12. Reporting

12.1 The Treasurer shall report on the financial position of the Association to the Executive Committee at its regular meetings, with a more detailed half-yearly report.

12.2 The Treasurer shall prepare an annual report for presentation to the Annual General Meeting, in accordance with clause 10.5 of the Constitution.

13. Honorariums

13.1 The Executive Committee may award an honorarium to the Chair, Vice Chair, Secretary, Treasurer or Chair of the Young Bar Committee, in accordance with clauses 4.9 to 4.12 of the Constitution.

13.2 The level of any honorarium shall be reviewed by the Executive Committee not less frequently than every three years, ordinarily at the conclusion of the Chair's term, paid net of any tax to the relevant office holder, and published on the Association's website.

13.3 Honorariums shall be paid through the Association's payroll arrangements, with appropriate deductions and in accordance with HMRC requirements.

14. Review

14.1 These Procedures shall be reviewed by the Treasurer, in conjunction with the Officers, not less frequently than every two years. /