

## **An interview with a FFWPU (UK) trustee**

Simon Cooper

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My recent post about how we develop good governance and make leadership appointments in our movement attracted a lot of debate and interest, which was v helpful for developing my own understanding of things. I thought it would be helpful to share something from the workings of our UK FFWPU charity. Many of our members still know very little about how it all works.

A few years ago I was involved in helping to develop the trustee board of our UK charity to be a hands-on body that is pro-active in its trustee functions. We created a precedent where we asked the different church leaders and congregations to nominate and suggest candidates for our trustee board.

So for this post I decided that an interview would be a good format to inform people on this topic:

Graham runs his own business, lives with his family in Pinner, and is involved in our North London congregation.

Here is an interview I have done partly through phone, part face to face and part by email with one of our trustees, Graham Simon:

### **Question: Hi Graham, can you explain to me, what is a charitable trust?**

Charity law in Britain is highly developed. In some large measure this is a product of our nation's Christian heritage. A charitable trust is a legal organisation, governed by trust deed that sets out the charitable aims of the organisation. To qualify as a charity, the organisation must demonstrate public benefit. Charitable trusts are subject to strict regulation by the UK Charities Commission and are obliged to file annual reports which are open to viewing by the public. Trusts in the UK enjoy significant tax benefits including the recovery of a portion of donations made by tax-paying citizens.

### **Question: What would you say is the role of the Trustee Board of the FFWPU UK? How and when did you come to be appointed to the board of the FFWPU UK?**

In a nutshell, it is to ensure that all assets and income of the trust are used in accordance with its charitable aims. In practical terms that means three things. First, we should ensure that the FFWPU UK's assets of over £20 million and annual income of over £1 million are used for public purpose and not for the private benefit of any individuals or groups of individuals within the movement.

Second, we need to ensure that the assets are managed prudently in order to optimise the income stream they generate for the trust. The current trustees are committed to a long-term view and are highly resistant to liquidating assets to finance current expenditure. Sacrificing the future for the sake of the present is a temptation we wish to avoid!

Lastly, we should ensure that the trust does not wilfully or accidentally expose itself to damaging liabilities. We are rather motivated to do this. Ultimately, it is the trustees' signatures that go on the bottom of the main contractual agreements and it is the trustees who can be held personally liable for misuse of funds and assets.

### **Question: How and when did you come to be appointed to the board of the FFWPU UK?**

In 2009, some of the existing trustees wished to retire and local church leaders were asked to submit suggestions of potential trustees from among their congregation.

In particular, the trustees were looking for people who were financially independent of the movement and who had experience working in a corporate or business environment which they could bring to the trustee board. At that time Colin Turfus and I were invited to join.

### **Question: So, what do you feel you have accomplished in the last three years?**

It took Colin and me at least two years to come to grips with what is actually quite a momentous responsibility. We first needed to understand the finances of the trust, the properties, historical and ongoing issues and just how things worked (or didn't work) generally.

But a major focus of the trustees over the past three years has been in implementing processes and procedures to turn the FFWPU UK into a professionally run organisation embodying clear principles of responsibility, accountability and transparency.

We have worked on improving communications between the leadership and wider membership and implemented policies for proper job specifications for all employees of the trust.

We are working to ensure that all commercial relationships between the FFWPU UK and other parties, members or otherwise, are governed by proper legal contracts.

In consultation with others, we have attempted to clearly define the roles and the processes that govern the activities and relationship between Trustees, the Executive Management and the Finance Committee. This has been enshrined in our roles and processes document: [http://www.findfast.info/ffwpu/Roles\\_and\\_Processes.pdf](http://www.findfast.info/ffwpu/Roles_and_Processes.pdf) [below]. The trustees encourage all members to download and review this document and we welcome any comments.

In addition to these changes, we have worked closely with the Finance Committee which does brilliant work under the chairmanship of Simon Rosselli in managing the finances of the FFWPU UK. Together we have witnessed some notable strides forward in recent months. These include substantial increases in income from the trust's properties, especially from the lease of farmland at Stanton FitzWarren and the resolution of long running disputes that have been a drain on human and financial resources.

**Question: To what extent then do you feel the Trustees have a role to play in determining the policy and direction of the FFWPU UK?**

I don't see that as the Trustees' role at all. That's the job of the continental, nation and local leaders and the members themselves in their interpretation and fulfilment of the Providence.

Obviously, resources are finite and the Finance Committee, on which some local church leaders sit, try to ensure that budgets are submitted and adhered to and that the trust and the various districts and departments of the FFWPU UK do not spend money we don't have. But the Trustees' role is more of that of an umpire or referee, who tries to make sure that the game is played according to the rules and in a fair manner.

**Question: Recently the finance committee has advertised a vacant position on the national finance committee, and we have been receiving people's applications, as we are wanting to develop a culture of engaging the full scope of our membership in the workings of our FFWPU charity. I hear you are looking for new trustees. What sort of qualifications do people need, and what is the current average age of the trustees?**

Yes, the average age of the current trustees – Eddie Hartley, June Darby, Colin and I – is over 60 years old! We are keen to bring some fresh wisdom and energy to the trustee board, not least to help share with the growing work load. The role is a voluntary one, but the work itself is its own reward!

We are thinking to expand the board with up to three new trustees. In my view, one or more of these should be a person who is well respected by the second generation and able to represent their views.

Although not mandatory, some skills or experience in specific areas such as law, human resources, education, healthcare, public or social administration would be valuable. Long-time involvement in FFWPU projects would also be a plus.

Importantly though, charity law dictates the trustees should not be "connected persons". Loosely translated this rules out people who are employees or officers of the charity and those who are contracted to provide services.

In accordance with Charity Commission guidelines, prospective trustees should be nominated and seconded by other members and then interviewed by the current trustees prior to selection. We will be inviting applications shortly.

**Question: Many thanks Graham for sharing, it was v informative, and for all your hard work as a trustee, God bless you.**

## THE FFWPU (BRITISH CHARITY) – STRUCTURE AND ORGANISATION

### **Roles**

#### **Trustees**

- Legally charged by Charity Commission to oversee the running of the charity in accordance with its stated goals and the laws of the land and to ensure that the charity is run solely for public benefit
- The consent of the Trustees is needed for the acquisition and disposal of assets, the incurring of liabilities, and the entering into contractual commitments.
- Trustees are a voluntary body composed of individuals of good-standing in society who receive no financial benefit from their roles as trustees and no other financial benefit from the charity that might compromise their ability to speak or act impartially.

#### **Finance Committee**

- Exists at the behest of the trustees to handle the day-to-day finances of the charity
- Empowered to make discretionary decisions regards management and disbursement of funds within prescribed limits
- Fully accountable to the trustees

#### **Management/Executive**

- Responsible for formulating policy and strategy and for the overall execution and management of projects carried out in the name of the charity
- Required to submit budgets for operating and other expenses to the Finance Committee for approval

### **Processes**

#### **Budgets and Reporting**

All departments within the charity, including the FFWPU regions and the European Office should submit budgets at the beginning of each financial year. The budget should clearly identify sources of income, projected revenues and planned expenditures. These budgets should be signed off by the Finance Committee with the authorisation of the trustees. Throughout the year, departments should report to the Finance Committee on their activities and indicate any areas of potential overrun.

Should any special projects arise during the year for which no budgetary provision has been made, the departments should submit supplementary budgetary requests in the form of a proposal.

Any budget or proposal that is brought forward (from the continental, national, and regional leaders, from pastors, the European Office, property managers or individual members) will be looked at on its own merit and discussed amongst the Finance Committee. After discussion it should go to a vote whether to accept it, take it forward with various provisions, reject it at this time or to try to find an alternative solution.

Although the National Leader is not required to attend meetings of the Finance Committee, it is recommended that he does, as and when his schedule permits, in order to understand how the financial resources of the Movement are being used and the prevailing financial situation of the charity. If no mutually satisfactory outcome can be found between the national leader and the finance committee on any budgetary issue, the matter should be referred back to the trustees for their recommendation.

### **Contractual Commitments**

All contractual commitments made by any department within the charity should be reported to the Finance Committee. This includes employment contracts, rental agreements, loan agreements, and purchase agreements for assets, consumables or services above a value of £5,000.

All employees of the trust require a proper job description. All agreements with sub-contractors require a documented agreement in which deliverables are clearly specified.

As a courtesy, the Finance Committee should notify the Trustees in advance of all such commitments. Though the Trustees will most likely accept the judgement of the Finance Committee, it should be recognised that they do have the ultimate authority to withhold agreement.

All agreements above a value of £50,000 require positive authorisation by the Trustees.

### **Transparency**

Every region should make available to their members a financial report detailing all income and expenditures annually.

A full publication of consolidated accounts should be made available on request to all members and donors to the FFWPU. These accounts should include income and expenditures by all departments, including the FFWPU regions and the European Office.

A special note should be made of all remuneration made to any agent of the trust within an accounting period, whether a full-time salaried employee, part-time employee or independent sub-contractor.

All monies donated or spent outside the United Kingdom require a full acknowledgement of receipt and an account of the usage to which they are put. Failure to provide such documentation may result in future donations being withheld.