

**THE WEST STOCKWITH GERTRUDE MORRIS
MEMORIAL HALL CHARITY**

POTENTIAL RISK AREAS

Potential Risk	Potential Impact	Steps to Mitigate Risk
Financial Matters		
Financial control and reporting	<ul style="list-style-type: none"> • Decisions made on inaccurate financial projections or reporting • Decisions made based on unreliable costing data • Inability to meet commitments or key objectives • Poor cash flow and treasury management 	<ul style="list-style-type: none"> • Timely and accurate monitoring and reporting • Proper costing procedures for product or service delivery • Adequate skills base to produce and interpret budgetary and financial reporting
Cash flows sensitivity Dependency on income sources	<ul style="list-style-type: none"> • Inability to meet commitments • Impact on operational activities 	<ul style="list-style-type: none"> • Adequate cash flow projections • Identification of major sensitivities • Adequate information from Treasurer • Monitoring arrangements and reporting
Fraud or error	<ul style="list-style-type: none"> • Financial loss • Reputational risk • Regulatory action • Impact on funding 	<ul style="list-style-type: none"> • Financial control procedures [Financial Regulations] • Authorisation of all expenditure by full Charity representatives • Insurable risks

Potential Risk	Potential Impact	Steps to Mitigate Risk
Data Protection Notice (See Separate Policy)		

Potential Risk	Potential Impact	Steps to Mitigate Risk
Organisational Matters		
Conflict of Interest	<ul style="list-style-type: none"> • Decisions may not be based on relevant considerations • Impact on reputation 	<ul style="list-style-type: none"> • Understanding of Charity Commission regulations • Protocol for disclosure of potential conflicts of interest • Procedures for standing down on certain decisions
Reporting to Charity Representatives	<ul style="list-style-type: none"> • Inadequate information resulting in poor quality decision making • Failure of the Charity to fulfil its control functions • The Charity becomes remote and ill informed 	<ul style="list-style-type: none"> • Proper strategic planning, objective setting and budgeting processes • Timely and accurate project reporting • Timely and accurate financial reporting • Proper project assessment and authorisation procedures • Regular contact between Charity representatives.
Security of assets	<ul style="list-style-type: none"> • Loss or damage • Theft of assets • Infringement of property rights 	<ul style="list-style-type: none"> • Review security • Custody arrangements for title documents • Insurance review
Disaster recovery and planning	<ul style="list-style-type: none"> • Computer system failures or loss of data 	<ul style="list-style-type: none"> • Data back-up procedures and precautions
Procedural and systems documentation	<ul style="list-style-type: none"> • Lack of awareness of procedures and policies • Actions taken without proper authority 	<ul style="list-style-type: none"> • Proper documentation of policies and procedures • Audit and review of systems
Information technology	<ul style="list-style-type: none"> • Systems fail to meet operational need • Failure to innovate or update systems • Loss/corruption of data 	<ul style="list-style-type: none"> • Appraisal of system needs and options • Disaster recovery procedures

Potential Risk	Potential Impact	Steps to Mitigate Risk
	Contracts	
Contracts poorly set up	<ul style="list-style-type: none"> • Charity work not completed to correct standards 	<ul style="list-style-type: none"> • Charity representatives sign off of all contracts
Failure of Contractors to complete	<ul style="list-style-type: none"> • Financial loss 	<ul style="list-style-type: none"> • Include retention element in contractual payment
Poor workmanship	<ul style="list-style-type: none"> • Loss of contractor • Legal Action 	<ul style="list-style-type: none"> • Short term contracts for regular needs