



BOTANICAL SOCIETY OF BRITAIN & IRELAND

RELATED PARTIES POLICY

Prepared by & date:	Julie Etherington, Finance Manager, August 2024
Approved by & date:	Board of Trustees 17.09.24
Next Review due:	Autumn 2027 (3 year review interval)

1. Context, Purpose and Risk Management

- i. It is good practice for a charity to have a Related Parties Policy and to maintain a Related Parties Register together with details of any transactions with those Parties.
- ii. The public is always interested in stories related to conflicts of interest and Related Parties (proven or perceived) and external perceptions of a charity and its moral and ethical behaviour is critical to its reputation and ability to fundraise successfully. There is also a significant reputational risk for charity if a Trustee or manager is influencing the charity to use a related party company or person to perform work on behalf of the charity in a non-arm's-length arrangement.
- iii. This Policy sets out how BSBI handles Related Parties.
- iv. Under this Policy, Key Management Personnel (see definition below) are required to disclose their Related Parties or situations where they may be conflicted due to links with outside organizations. This disclosure allows the Board to understand those relationships and to act accordingly.

2. Definitions

- i. Definitions are taken from the Charities SORP (FRS 102) second edition 2019, section 9.
 - **Related Parties:** *“... those persons or entities that are closely connected to the reporting charity or its trustees”*
 - **Related Party Transaction:** *“...the transfer of resources, services or obligations with Related Parties, regardless of whether a price is charged.”*
 - **Key Management Personnel** *“...those persons having authority and responsibility for planning, directing and controlling the activities of the charity, directly or indirectly, including any Director or Trustee (whether executive or otherwise) of the charity.”* For the purposes of this Policy, those holding the roles of Trustee, President, Chief Executive and Head of Science are included in this definition.
 - **Materiality** *“... a Related Party Transaction must always be regarded as material regardless of its size. “*

3. What we must do

- i. It is the responsibility of a charity to identify and disclose Related Parties and Related Party Transactions and implement adequate accounting and internal control systems so that this information is appropriately identified.
- ii. All Key Management Personnel (per 2i) are expected to follow this Policy. Responsibility rests with the individual.
- iii. If an individual is in any doubt as to whether disclosure is required, advice should be sought from the Chair of the Board.

4. How and when to declare

- i. An individual should declare his/her interests using the Declaration of Interests Form (see Appendix 1)
- ii. A Related Parties Register of Transactions is maintained by the Finance Manager
- iii. Declarations are required annually as at 31 March or when there are any changes.

5. **How BSBI uses the declarations**

- i. The declarations are used for a variety of purposes, for example:
 - Reporting to the Board of Trustees for information and / or to decide if transactions are permissible and identify authorization procedures required, each case being judged on its own merits.
 - Disclose Related Party Transactions in BSBI's Annual Statutory Accounts
 - Other ad-hoc purposes

6 **Duration & remit**

- i. Once approved, this Policy remains effective until further notice.
- ii. The Policy will be reviewed every 3 years, or earlier if needed.

APPENDIX 1

Declaration of Interests Form

This Form is an Appendix to, and should be read in conjunction with, BSBI’s Related Parties Policy.

All Key Management Personnel (defined by the Related Parties Policy) must complete the following Declaration of Interests with all of his / her own or immediate family’s interests, current or expired within the past five years, that might be seen as creating a possible conflict of interest with their position within BSBI and any pecuniary or business decisions made by BSBI. If in any doubt, please discuss the potential conflict with the Chair of BSBI before completing this form.

Self or immediate family member (name)	Name of organisation	Nature of involvement or Interest	Current or expired

Or, if you have no interests to declare please mark the following box.

I confirm I have no interests to declare:

Print Name: _____

Signed: _____

Date: _____

When completed, please return to: Julie Etherington, Finance Manager, Julie.etherington@bsbi.org