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Background

Sound financial management is essential for any sports club:

- it ensures the Club can carry out its intended activities and meet its day-to-day financial commitments
- it facilitates forward planning and the appropriate allocation of resources
- it provides reliable information on which to base key decisions (e.g. annual subscriptions, investments in training or equipment, social activities)
- it protects the interests of Members and provides them with a clear understanding of how Club funds are being deployed
- it helps to identify risks and allows appropriate actions to be taken on a timely basis

Policy

The Club Committee has overall responsibility for financial management, financial controls and financial reporting. Day-to-day financial duties are delegated to the Treasurer, who reports back to the Committee.

The Club's principal financial objective is to ensure that it can deliver the level of services and activities expected by Members, whilst ensuring financial stability and sustainability within a subscription structure that positively encourages community participation.

Maintaining an adequate level of working capital to continue operating and to meet the Club's day-to-day financial commitments is the primary short-term financial objective.

Longer term, the objective is to secure the financial future of the Club and to ensure that it is able to deliver on the expectations of Members.

Any financial surpluses are re-invested in the Club, other than a Reserve Fund which is maintained to cover unexpected events, new opportunities, unforeseen expenditure or unexpected loss of income (see 3 below).

Procedures

1. Planning and reporting

- 1.1 An annual budget of income and expenditure is prepared each year by the Treasurer and approved by the Committee. This is then presented at the AGM for approval by the Members.
- 1.2 This budget is prepared on the basis of a proposal for subscriptions for the coming year, which is also presented at the AGM for approval by Members.
- 1.3 A financial report is prepared by the Treasurer and is presented to the Committee each quarter for review and consideration (or more frequently if the Treasurer or Committee requires).
- 1.4 Separate budgets are prepared for any individual events/races with a potentially significant financial impact (e.g. Eccup 10) and performance against these budgets is monitored on an on-going basis.

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1.5 The Club's annual financial report is presented at the AGM for approval by the Members.

1.6 The Club's annual financial report and supporting information are reviewed by an independent Member (a Club Member that is not on the Club Committee) with the requisite financial knowledge and background.

2. Controls

2.1 The Club maintains a current bank account. The designated account signatories are the President and the Treasurer. All cheques and electronic transfers must be approved in advance as follows:

Amount	Approval (in writing or by electronic means)
Up to £500	President or Treasurer
£501 - £1,000	President and Treasurer (or one of these plus 2 Committee members if the other is not available)
£1,001 - £2,000	President and Treasurer plus 2 other Committee members
Over £2,000	Committee

2.2 All monies received into the Club bank account are identified and recorded by the Treasurer as soon as is reasonably practicable.

2.3 A separate interest-bearing deposit account is maintained for the Club's Reserve Fund. (see 3 below). Transfers to/from this account are subject to the same approval limits set out in 2.1 above.

2.4 A petty cash float of approximately £200 is held by the Treasurer. All receipts and payments are recorded and matched with the relevant supporting documents. The petty cash float is counted and checked independently once a year, before the AGM.

3. Reserve Fund

3.1 The Reserve Fund ensures the Club has sufficient funds to cover the costs of a major unforeseen event. For example; the late cancellation of the Eccup 10 race after significant expenditure has been committed. As Eccup 10 costs amount to £12,000 - £15,000 in a typical year, it is considered prudent to maintain a Reserve Fund of approximately £10,000. Any surplus funds in excess of this amount are available for consideration for athlete support and Club development objectives.

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Document revision history

Rev.	Date	Description of Change	Reviewer	Approver
01	12/4/22	New Document Created	SRH	J Whittaker