

Financial Procedures Manual

Dundee Roadrunners

Version 1

Last Updated - September 2019

INTRODUCTION

This document is designed to provide guidance for Club members in the standard financial procedures required by the Committee to ensure that:

- The financial affairs of the Club are managed according to best practice
- Risks are identified and managed
- Financial reporting is robust and fit for purpose
- Members can be confident that the Club's financial affairs are managed accurately and professionally
- The Club's assets are protected
- The Club complies with its legal and tax obligations

It will be reviewed and updated at least annually; any changes being recorded in the VERSION CONTROL section of this Manual.

DEFINITIONS

In this document:

"Club" means Dundee Road Runners AC

"Committee" means the management committee of the Club;

"Treasurer" means the person elected to the role of treasurer on the Club's management committee;

"Manual" means this document;

"Annual Accounts" means the financial reporting documents produced by the Committee representing a true and accurate summary of the Club's finances for a given year;

"AGM" means the Annual General Meeting of the Club;

"Independent Examiner" means a qualified accountant independent of the Club that is appointed by the Club to independently examine and verify the bookkeeping and accounting records;

"Management Accounts" means the collection of documents/statements that detail the Club's financial position/performance for a given period, presented to Committee members in an approved format, and that enables the Committee to effectively manage the Club's financial affairs;

“Statutory Accounts” means the accounts prepared by the Committee which are required by and meet the form and content requirements of the relevant Acts of Parliament pertaining to companies and/or charities, depending on the Club’s legal status;

“Accounting Records” means the documents and books of account kept by the Club of money coming into and going out of the Club and a record of its assets and liabilities;

“Budget” means a plan drawn up by the Committee which sets out the planned income for a future financial period and the planned spending for that financial period;

“HMRC” means Her Majesty’s Revenue and Customs (the tax authorities);

“ACAS” means the Advisory, Conciliation and Arbitration Service, the independent council providing free and impartial information and advice to employers and employees on all aspects of workplace relations and employment law.

VERSION CONTROL

Version 1 Adopted by the Club on 01/10/2019

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1. FINANCIAL RESPONSIBILITY

- 1.1 The financial affairs of the Club are the ultimate responsibility of the Committee.
- 1.2 Day to day management of the Club's finances is the responsibility of the Treasurer who reports directly to the Committee.
- 1.3 The Committee will be responsible for determining the most appropriate start and end dates for the Club's Financial Year, in accordance with advice from the Independent Examiner.
- 1.4 The Committee will be responsible for carrying out appropriate background checks for anyone authorised to administer the Club's finances, including members of any relevant Sub-committees.
- 1.5 The Committee will be responsible for ensuring that accounting and bookkeeping records are kept for a minimum period of 7 years and that no records are destroyed without the express authorisation of the Committee.
- 1.6 The Committee will be responsible for ensuring that personnel managing the Club's financial affairs have the skills necessary to successfully carry out the required duties and will use the agreed training budget (as detailed in Appendix A of this Manual) to train personnel in order to achieve this.
- 1.7 The Committee will be responsible for assessing and advising the membership as to the most appropriate legal status for the Club and will make appropriate recommendations for consideration at an AGM.
- 1.8 The Committee will be responsible for assessing and advising the membership as to whether registration or continued registration as a Community Amateur Sports Club or Charity will be financially beneficial to the Club and will make appropriate recommendations for consideration at an AGM.

2. ACCOUNTABILITY

- 2.1 The Committee will produce Annual Accounts for Club members to approve at the Club's AGM.
- 2.2 The Committee will be responsible for the production of any Statutory Accounts required as a result of the Club's legal status and for ensuring that said Statutory Accounts are submitted in accordance with set deadlines for submission.
- 2.3 The Treasurer will be responsible for the production of the Annual Accounts in accordance with HMRC guidelines and best practice as approved by the Independent Examiner.
- 2.4 The Treasurer will ensure that the Annual Accounts are independently verified by the Independent Examiner prior to approval by the members and that any required Statutory Accounts are produced by the Independent Examiner from the Annual Accounts once verified.

- 2.5 The Annual Accounts will be made available to members at least 30 days prior to the date of the AGM to enable members sufficient time to scrutinise the accounts.
- 2.6 The Treasurer will be responsible for ensuring that any tax due is paid within the required deadlines.

3. BOOKKEEPING

- 3.1 The Treasurer will be responsible for ensuring that the day to day bookkeeping is recorded in accordance with HMRC requirements and best practice as approved by the Independent Examiner.
- 3.2 The Treasurer will ensure that bookkeeping records are up to date and that all transactions are duly recorded within 40 days of the relevant transaction date.
- 3.3 The bookkeeping records will be checked/verified by a member of the Committee/Sub-committee other than the Treasurer every three months. This person will provide the Committee with written confirmation of said verification.
- 3.4 The Independent Examiner will review the day to day bookkeeping activities and methods on at least an annual basis and will provide feedback to the Treasurer and Committee.
- 3.5 The Treasurer will be responsible for ensuring that the bookkeeping records adequately identify member and non-member income/expenditure to enable the Club to accurately account for any potential corporation tax liability.

4. INCOME

- 4.1 The Treasurer will be responsible for recording all Club income into the Club bookkeeping records in accordance with best practice as approved by the Independent Examiner.
- 4.2 The Treasurer will issue invoices as and when required by a supplier in accordance with best practice as approved by the Independent Examiner.
- 4.3 The Treasurer will be responsible for monitoring due payments and for taking appropriate action on any overdue payments, in accordance with best practice as approved by the Independent Examiner.
- 4.4 The Treasurer will be responsible for managing the Club's Gift Aid programme where appropriate.

5. EXPENDITURE

- 5.1 The Treasurer will be responsible for recording all Club expenditure into the Club bookkeeping records in accordance with best practice as approved by the Independent Examiner.
- 5.2 The Treasurer will be responsible for ensuring that any expenditure has been approved by the Committee and minuted as such, in accordance with the expenditure limits as specified in Appendix A of this Manual.
- 5.3 Any decision made to spend monies will be minuted in the Committee minutes and a record of the designated signatories made.

6. BANKING

- 6.1 The Club's appointed bankers are Bank of Scotland .
- 6.2 Cheque payments made from the Club's bank account will require two signatories for payments over the limit as detailed in Appendix A of this Manual and one signatory for amounts less than the specified limit.
- 6.3 Under no circumstances can a signatory sign a blank cheque. A signatory who is asked to sign a blank cheque should report this to the Committee without delay.
- 6.4 Online payments made from the Club's bank account will require email authorisation from an authorised signatory other than the person making the online payment for amounts that would require two signatories if it were a cheque payment. Alternatively, the Club will operate a Dual Authorisation system for online banking if provided as a service by the appointed bankers, working to the limits identified for cheque signatories.
- 6.5 Persons authorised to have access to any Club online banking service will be responsible for ensuring that relevant passwords/security details are kept secure and that any computer/device used to access any of the services is kept up to date with anti-virus and firewall software.
- 6.6 Persons authorised to have access to any Club online banking service will not use any computer to access said services that is accessible to the general public.
- 6.7 Persons authorised to have access to any Club online banking service will not divulge their security details for said services to any third party, particularly in response to any email or telephone request to do so.
- 6.8 The Treasurer will be responsible for ensuring that all income is deposited into the Club bank account and that relevant receipts are retained.
- 6.9 The Treasurer will be responsible for ensuring that each monthly bank statement is reconciled against the Club's bookkeeping records within 30 days of receipt of the statement and that any discrepancies are investigated and resolved. The completed reconciliation should be signed by the Treasurer and another member of the Committee/Sub-committee.

7. CASH PAYMENTS

- 7.1 Cash payments can only be made up to the limit as specified in Appendix A of this Manual.
- 7.2 Cash payments should only be made from the petty cash float and recorded as such in the petty cash book. They must not be made from incoming cash income or any form of cash float.
- 7.3 Supporting documentation will be required for any cash payments made and said documentation stored as part of the Club's bookkeeping records.
- 7.4 The petty cash float will be administered by the Treasurer and will hold a maximum amount as specified in Appendix A of this Manual.
- 7.5 The Treasurer will be responsible for keeping the float secure and ensuring that relevant documentation is obtained and stored when payment is made.

8. PAYMENT OF EXPENSES

- 8.1 Expense claims from workers and volunteers must be made on the Club's expenses claim form on a monthly basis and must be signed by the claimant. The form must be accompanied by relevant receipts.
- 8.2 Expenses will only be paid when they have been approved by the Treasurer/Committee in advance of any actual expenditure. Claims must be for 'out of pocket' expenses only as defined by HMRC.
- 8.3 Expenses claims must be authorised by the Treasurer before payment is made and payments will be subject to the controls detailed in the Banking section of this Manual. Expense claims made by the Treasurer must be authorised by another member of the Committee.

15. VAT

- 15.1 The Treasurer will be responsible for ensuring that the Club is registered/not registered for VAT in accordance with HMRC regulations. Registration requirements will be monitored on a monthly basis in accordance with best practice as approved by the Independent Examiner.
- 15.2 Should the Club be registered for VAT, the Treasurer will be responsible for VAT management in accordance with best practice as approved by the Independent Examiner.

APPENDIX A

Current Financial Limits

CHEQUE/ONLINE BANKING SIGNATORY LIMITS

Spending requires two signatories on the Club's bank account.

PETTY CASH FLOAT LIMIT

The petty cash float will contain a maximum of £500 at any time.