



# Club Financial Procedures Manual

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## INTRODUCTION

The GAA is a community-based volunteer organisation promoting Gaelic games, culture and life-long participation. At Ulster GAA we are dedicated to ensuring that our family of games and our values enrich the lives of our members, our families and the communities we serve.

To help protect these values, it is essential there is proper financial governance and transparency within our Clubs. This means proper Financial Controls must be in place. Financial controls are the policies and procedures put into place by an organisation to track, manage and report its financial resources and transactions. This document outlines procedures to help implement these financial controls within your club.

The procedures that follow are examples of best practice which can be tailored to the individual structures of each Club. We urge every club committee to review this document and to ensure the financial controls contained here are implemented into your club

## ROLE OF TREASURER

The Club Treasurer has responsibility for the safe-keeping of the funds of the Club. He/she is responsible for recording all income and expenditure and for reporting on the financial position of the Club to the Club Executive Committee on an on-going basis.

It is important to note that the Treasurer does not have to be an accountant to perform this role. However, he/she must have the ability to record all financial transactions, monitor expenditure in the Club, plan and assist in fundraising and provide regular reports to the Club Committee and AGM.

The Treasurer must not commit the Club to any expenditure for which prior approval has not been given and should also be in a position to give ample warning to the Club before the club falls into unplanned debt.

The overall role of the treasurer is to:

- Ensure all financial matters within the club are managed correctly and efficiently.
- Ensure proper books of accounts, with appropriate controls and procedures are in place.
- Preparation of Financial Statements.
- Preparing a Financial Budget for the Club and measure performance against the budget.
- Fundraising for the Club.

## THE ROLE OF THE FINANCE COMMITTEE

The club should form a Finance Committee which is to be chaired by the Treasurer. The committee should provide guidance to the central club committee on the following issues:

- Debt Review
- Operational Finance matters
- Monitoring
- Financing Options
- Fundraising Suggestion
- Finance Policy Making
- Adherence Reviews

## SEGREGATION OF DUTIES

One of the prime means of control is the separation of those responsibilities of duties which if combined would enable one person to record and process a complete transaction. If duties are segregated, this reduces significantly the scope for errors and oversights, as well as deliberate manipulation or abuse, and builds in additional checks. For example, if the person who records incoming cash is the same person who checks that cash paid in is recorded on the bank statements,

it would not be easy to detect any discrepancies or wrong doing. Mistakes are more likely to go undetected if a person checks their own work. The principle of segregation is important with regard to both income and expenditure, and capital transactions. The club should therefore ensure that all individuals working with funds within the organisation have clear segregation of duties.

## INCOME

Club income can come from a wide variation of sources but can be mainly categorised into four main sources: Fundraising, Sponsorship, Gate Receipts and Membership.

Incoming cash recorded in the “Cash in Hand” account on Sage and should be promptly lodged according to lodgement procedures as outlined below.

All invoices should be raised on Club headed paper in a consistent format agreed by the committee and should be sequentially numbered.

Information about non-routine and all grant income must be passed to the treasurer with the cheque or remittance advice. This should be filed by the treasurer for reference, and used to ensure such income is correctly recorded in the accounts and grant conditions etc. noted. It is the responsibility of the person gaining the grant to ensure all grant income is claimed as it becomes due or available, and that all appropriate staff and the committee are aware of relevant grant conditions and exactly how the grant is to be expended.

## CLUB EVENTS

The Club may from time to time run various events for fundraising initiatives and it is essential that proper records are maintained:

- Individual records should be maintained for each event, in sufficient detail to identify gross receipts and how they have arisen, and all costs incurred.
- A report given to the committee on how event performed in financial terms.
- For any event in which there is ticket income or gate money:
  - All tickets should be prenumbered;
  - A record kept of all persons who have been allocated tickets, and the numbers of tickets allocated to each;
  - A record kept of tickets sold; and
  - A reconciliation carried out showing tickets sold versus actual amounts received.

## BANK ACCOUNTS

As per rule 11.1 of the Club Constitution the club must open a bank account in the Club name with an approved bank.

All income should be paid into the bank accounts as soon as possible. The make-up of each banking will be clearly recorded.

A bank reconciliation is required on a monthly basis for each account. This will ensure all transactions are captured in the bookkeeping system and any unknown transactions are queried as soon as possible.

## BANKING AND CUSTODY PROCEDURES

Care always needs to be taken to ensure that, once funds are received into the control of the club, their continued security is maintained. Following the guidelines listed below will provide a basic level of protection for the club's funds:



- Incoming receipts must be banked regularly. Frequency of banking will depend on the amount of cash received.
- Cash or cheques must be placed in a safe or locked cash box if they cannot be banked on the day of receipt.
- All incoming money be banked in its entirety – no amounts be held back for "feeding" petty cash. Without banking incoming money intact, it is impossible to trace particular receipts into the club.
- All Club monies should be held separately from any other monies. For example, the Club treasurer must not use his own bank accounts for the organisation's finances.
- Where possible, two people should lodge the money in the bank for safety, particularly if significant sums of cash are involved.
- No counting of cash or preparation of lodgements to be carried out independently, at least two persons must be present.

## ORDERING SUPPLIES AND SERVICES

All committee members must be aware that expenditure is committed when an order is placed on behalf of the Club not when the cheque is requested. Therefore, it is important that all orders are placed properly, and are within agreed budgets and delegated powers. Please see below a sample table of delegated authority. This should be amended to each club's individual needs.

### DELEGATED AUTHORITY

Estimated Value £	Delegated Authority	Tender Action Required
Below £100	Treasurer and Chairperson/Secretary	No quote required.
£101 to £1,000	Treasurer and Chairperson/Secretary	No quote required.
£1,001 to £10,000	Treasurer, Chairperson & Secretary	Two quotations
£10,000 to £30,000	Executive	Two quotations

Any lease, hire purchase agreement or other contract involving expenditure will be subject to the same authorisation procedure as above, with the appropriate expenditure amount being the total committed expenditure over the period of the contract, or where the contract is open-ended, over the first 12 months of the contract. Larger contracts should not be entered into without adequate advice from a relevant professional adviser (e.g. accountant, solicitor, surveyor).

Suppliers must be requested to produce invoices.

## PURCHASE LEDGER

A Purchase Ledger is to be operated by the treasurer. All incoming invoices are to be passed to the Treasurer as soon as they arrive. Invoices will be recorded on to the Purchase Ledger within regularly. Invoices should be paid when due however cashflow should be considered.

## CHEQUE WRITING AND SIGNING

The club bank account should have three authorised signatories, namely the Chairperson, Treasurer and Secretary and must be signed by the treasurer and either the chairperson or secretary as per the Club Constitution rule 11.1. There are to be no blank cheques written and cheques are not to be pre-signed. All cheques should be approved by the executive committee prior to signature.

## HANDLING OF CASH

Petty cash will be topped up on the 'imprest' system, where the amount spent is reimbursed. It is intended for small items, up to £100. Anything over this should be paid by cheque where possible. The imprest has a balance limit of £150. The petty cash balance will be reconciled when re-storing the imprest balance, or monthly if this is more frequent.

All cash collected from the Treasurer will be signed for, and receipts will be issued for all cash returned. Specific extra cash floats (for events etc.) should be arranged with the Treasurer. The person signing for the float is responsible for ensuring cash and receipts are returned as soon as possible after the event etc. No further floats may be issued to that person, or another person in the same department for a similar purpose, unless the previous float has been accounted for.

Mixing money or receipts from different petty cash sources creates large accounting problems. In a real emergency, where another cash float has to be used for something, a clear record must be kept, and brought to Finance Department's attention.

## ACCOUNTING FOR CASH AS IT IS RECEIVED

- If received in person, record on a pre-numbered multiple-copy receipt form. Give a copy of the receipt to the customer.
- If received by mail or phone (credit card payments), enter the payment immediately into a registration or order system, or cash receipt journal/visa receipt journal
- Indicate the type of payment (currency Stg or Euro/Cheque).

## SEPARATING INDIVIDUAL CASH HANDLING DUTIES

Separate the components of cash handling - collecting, depositing, and reconciling - so that one individual does not have responsibility for more than one component. Always separate the handling of the actual cash from the reconciliation.

## SAFEGUARDING THE HANDLING AND STORING OF CASH

- During hours of operation, secure coins, currency and checks to restrict access.
- At other times store all coins, currency and cheques in a safe or other locked secure place until they are deposited.

## DEPOSITING CASH PROMPTLY

- Deposit cash receipts at least weekly or when the total on hand reaches £100. Certain locations may require a more restrictive policy based on security, cash/cheques composition, and the average £/€ amount of cheques.
- If credit cards are accepted, settle authorized transactions daily.
- Deposit all funds received. Do not make refunds, pay expenditures, or create a change fund from cash receipts. Do not hold cheques for future processing. Do not use cash receipts to cash cheques from employees and customers.

## RECONCILING DAILY AND MONTHLY ACTIVITY

- Daily balancing: balance each deposit by comparing:
  - the cash receipt records
  - the completed cash transmittal
- Monthly balancing: monthly reconcile the cash, cheque ledgers and electronic transfers with the bank statements.
- Document unidentified differences.

## MONITORING THE CASH RECEIPTS PROCESS

Members of the club committee not directly involved with the cash receipt process have the responsibility to periodically:

1. Review the nature and extent of overages and shortages.
2. Compare actual deposits recorded with expected receipts.
3. Review daily and monthly cash activity reconciliation.
4. Compare the mode of payment (coin/currency/cheque or electronic) recorded at the time the cash was received with the coin/currency and cheque totals on the validated deposit document.
5. Evaluate overall internal controls to ensure that reasonable controls exist to safeguard cash, and that committee members understand and follow them.
6. Reviews should be documented. Any issues noted should be raised with Chairman for further investigation.

## BOOKS OF ACCOUNT AND RECORDS

Proper accounting records will be kept. The accounts systems is based around Sage.

At a minimum, the following records will be kept:

- appropriate control accounts (i.e. bank control, petty cash control).
- Quarterly management accounts

Petty cash and bank accounts will be reconciled at least monthly.

All vouchers entered into the computer system will be clearly initialled by the person entering it, along with date and accounts reference. All corrections and adjustments will be clearly noted in a written 'Journal' giving reasons for them, with supporting documentation where available.

Purchase Ledger and banking sheets will be filed in the appropriate reference order, with any supporting documentation. All petty cash vouchers, cheque stubs etc. will be retained for accountability purposes and for statutory purposes thereafter.i.e. grant audit/Annual Audit.

All fixed assets costing more than £1,000 (or such other level as may from time to time be agreed by the trustees) will be capitalised in the accounts and recorded in a fixed assets register. This register will record details of date of purchase, supplier, cost, serial no. where applicable, description and in due course details of disposal. An estimate of useful economic life should also be made and the asset then depreciated accordingly. The register should be reconciled to the accounting system on a quarterly basis.

## FINANCIAL MONITORING

The Club Committee will receive:

- Quarterly report on the Statement of Financial Position.
- Monthly reports of income and expenditure

The Club's financial year is from 1st November to 31st October. Final draft of the Annual accounts should be circulated a week prior to the AGM. The accounts should be discussed and passed at the AGM. The accounts must then be signed by two of the three executive club officers. The accounts must be certified or in the case of a club which also runs a social club, audited.

The accounts must be forwarded to the relevant county committee within four weeks of the AGM. (Club Constitution rule 11.5) The accounts should be input into the relevant template available on the Ulster GAA website and will only be accepted by the county committee in this format. A PDF of this document is available for download at <https://ulster.gaa.ie/community/resources/>

## DECLARATION

This document has been approved by the Club Executive Committee and serves as the working Club Financial Procedures document of [Insert Club Name].

## CLUB CHAIRPERSON

Signed: Ian McKeown

Date: 13<sup>th</sup> May 2024

## CLUB TREASURER

Signed: Michael Lavery

Date: 13<sup>th</sup> May 2024

