



## **Tandragee Rovers Football Club**

### **Financial Procedures**

#### **1. Ordering supplies and services**

All club members and coaches need to be aware that expenditure is committed when an order is placed on behalf of Tandragee Rovers Football 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.

Orders for goods or services within their budget areas, subject only to cash-flow restraints. All orders of £100 or more must be authorised by the Club committee, except for specific areas of expenditure where written procedures have been agreed (e.g. book printing) under £100.

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).

Orders of £1,000 or more must be placed in writing. Orders under £1,000 but over £100 should be in writing where practical. The club will devise appropriate ways of keeping records of such orders, which will be contained in an Appendix. Suppliers must be requested to produce invoices. If payment is needed on or before delivery or no credit is given, a 'pro-forma' should be provided.

While claims for small items of expenditure may be made via petty cash (see section 4), adequate supporting documentation, preferably receipts, must be obtained. Large items requiring cash payment must be checked with Treasurer before the arrangement is confirmed.

#### **2. Payment authorisation and Purchase Ledger**

All invoices must be authorised for payment by the budget holder, although the actual checking of details may be delegated. The authorising club member is responsible for checking invoices for accuracy in terms of figures and conformity with the order placed, that the services or goods have been received, and following up any problems.

The treasurer must be informed if there are queries delaying authorisation or if payment is to be withheld for any reason.

A Purchase Ledger is operated by the Club. 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 two days, unless there are coding problems. They are then passed on to the club committee for authorisation. Once authorised as above, suppliers will be paid within the appropriate timescale. This is generally 14 days of invoice date for NICE PEOPLE, 30 days for others, unless there are exceptional cash-flow difficulties or specific supplier arrangements. The latter must be communicated to the treasurer who will inform them of any difficulties in meeting these.

Refunds of overpayments or cancellations of bookings/orders can be fully delegated to the club committee (note that this does not include any 'compensation' or similar payment).

### **3. Cheque writing and signing**

Signatories will only be drawn from the club committee and must be approved by the Trustees before the bank is notified. All cheques for £100 or over require two signatories. Cheque signatories should check that the expenditure has been authorised by the appropriate person before signing the cheque.

Signatories will not sign cheques which are payable to themselves, or blank cheques. Cheques should be filled in completely (with payee, amount in words and figures, and date) before cheques are signed. The only acceptable exception is that the amount can be blank as long as the cheque is endorsed 'Not more than ? ....'. Receipts for this type of expenditure must be returned immediately.

The day-to-day limit on encashment of cheques is £250. However, where a larger cash float is required (for a major event for example), this may be approved by the Club committee. When signing cheques to restore the imprest balance (see section 4), receipts accompanied by an add-list must be presented with the cheque request.

### **4. 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 £20. Anything over this should be paid by cheque where possible. The imprest has a balance limit of ?250. The petty cash balance will be reconciled when re-storing the imprest balance, or monthly if this is more frequent.

All cash collected from Finance will be signed for, and receipts will be issued for all cash returned. Specific extra cash floats (for tills at 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 Section's attention.

Any cash income will be banked via the treasurer, and not used for petty cash expenditure. Such cash will be passed to Finance:

- weekly for cash received in-house
- monthly for payphone
- immediately after the end of an out-of-house event.

Cash will be kept in locked metal cabinets wherever possible. Appropriate arrangements will be made for till security.

## **5. Income**

The majority of income received by Tandragee Rovers is from donations.

Information about non-routine and all grant income must be passed to the Treasurer with the cheque or remittance advice. This will be filed by the Treasurer for reference, and used to ensure such income is correctly recorded in the accounts and grant conditions etc. noted. Lack of documentation will lead to such items being 'held on suspense'. 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 Treasurer is aware of relevant grant conditions and exactly how the grant is to be expended.

## **6. Bank accounts**

Tandragee Rovers bankers are:

- The Ulster Bank Ltd, Tandragee Branch – Current Account and Building Account .

All income will be paid into the current accounts as soon as possible, not less than once a week. The make up of each banking will be clearly recorded, for later computer entry.

## **7. Books of account and records**

Proper accounting records will be kept. The accounts systems is based around computer facilities Excel, but manual/paper records will also be used if appropriate.

At a minimum, the following records will be kept:

- appropriate control accounts (i.e. bank control, petty cash control, 1) .
- monthly trial balances.

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

Purchase Ledger, other cheque payments 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 audit and for statutory purposes thereafter.

## **8. Budget setting**

12 monthly income and expenditure budgets will be prepared in time for final approval by the Club Committee in July, before the start of the financial year under consideration.

## **9. Financial monitoring and audit**

The Management Team will receive:

- monthly reports of income and expenditure versus budget - within two weeks of month end.

Detailed cash-flow reports will be produced as appropriate.

Tandragee Rovers financial year is from 1<sup>st</sup> July to 30 June. Annual accounts will be submitted to the AGM held in July.

## **10. Role of Treasurer**

The Treasurer works in close co-operation with, and provides support and advice to, the Financial Controller. Specific responsibilities are to:

- Guide and advise the Board in the approval of budgets, accounts and financial statements, within a relevant policy framework.
- Keep the Board informed about its financial duties and responsibilities.
- Advise the Board on the financial implications of An Organisation's strategic plans and key assumptions included in management's operational plan and annual budget.
- Confirm that the financial resources of An Organisation meet present and future needs.
- Understand the accounting procedures and key internal controls, so as to be able assure the Board of An Organisation's financial integrity.
- Ensure that the accounts are properly audited, that accepted recommendations of the auditors are implemented, and meet the auditor at least once a year.
- Formally present the accounts at the AGM, drawing attention to important points.
- Monitor An Organisation's investment activity and ensure its consistency with policies, aims, objectives and legal responsibilities

## **12. Role of Management**

The Management team consists Tandragee Rovers Committee. Each has responsibility for financial performance and ensuring that the Club complies with Financial Procedures. They will receive monthly management accounts, keeping

adequate records to be in control between monthly reports. The Team will review finances thoroughly at its monthly meetings.