



## The Racquetball Association of Ireland Financial Management Policy

The Racquetball Association of Ireland (RAI) must be open and accountable in financial terms. The Association receives its finances from clubs, members, players, sponsors, donors and by way of government grants so it is vital that these finances are being used properly. Good financial systems and procedures should be in place and be adhered to.

### Control Concepts

It's important they're aware of some basic concepts which can be applied in the RAI in the following contexts:

### Income and Expenditure Account

This outlines the Association's financial performance, usually over a year. The account should show what money has come into the Association and what money it has paid out. Typically the individual amounts will be grouped under headings as follows:

#### Income

Membership/Registration fees  
Club Affiliation Fees  
Competition Entry Fees  
Fundraising Events  
Draw/Raffles  
Sponsorship  
Grants  
Miscellaneous

#### Expenditure

International Affiliation Fees  
Meeting Expenses  
Travel Expenses  
Court Rental  
Insurance  
Teams expenses  
Advertising  
Admin expenses  
Miscellaneous

### Cash-Flow

While a certain amount of cash is required it should be kept to a minimum. Entry fees and payments should be collected by electronic means as far as possible.

### Budget

Basically a budget is an outline of what the Association intends to spend during the year ahead and when it intends to spend it. It's a way of first planning and then monitoring the Association's income and expenditure.

The Association's budget would use the types of headings listed above for the Income and Expenditure Account. The Executive Committee should decide at the start of the year what it intends to spend under the various headings. As the year progresses what actually happens is monitored against what was planned to happen.

Income should be treated in exactly the same way. Using budgets means everyone knows what's what in financial terms within the Association.

### Financial Control

#### Balance Sheet

The balance sheet gives you a snapshot of the financial standing of the Association at a particular point in time. Put simply it summarises the assets (i.e. what the Association owns or is owed) and the liabilities (what the Association in turn owes to others).

### **Good Financial Practice in the Association**

The guidelines below reflect best financial management practice and should be taken on board by the Association:

- The Association should have one or more bank accounts, eg a current account and possibly deposit and or loan accounts.
- Cash holdings should be kept to a minimum and all cash sums deposited into the Association's accounts as quickly as possible.
- Cash transactions on behalf of the Association should be by exception and for small amounts only. All The Association's financial business should be carried out through these authorised bank accounts.
- A number of authorised cheque signatories should be approved by the Executive Committee.
- Electronic bank payments must be set up by the Treasurer and approved by the President or Secretary.
- All cheques should be signed by at least two of the authorised signatories.
- The authorised signatories should include the President, Treasurer and Secretary.
- Expenditure under €300 can be approved by two of the following, President, Secretary or Treasurer.
- All expenditure of over €300 (or another agreed figure) should be formally approved in advance at a full Executive Committee meeting.
- The Treasurer should, at each Executive Committee meeting, give written account of all Income and Expenditure incurred since the previous meeting and give the current position in terms of each of the Association's bank accounts.
- All expenditure should be on foot of properly-vouched invoices or other appropriate documentation.
- At least three tender prices should be sought for all works/tasks/purchases estimated to cost over €1,500 (or another agreed figure).
- A proper, written financial statement should be presented at the Association's AGM: the Treasurer should explain the statement to the meeting and answer any questions on it.
- That financial statement should outline:
  - The financial position at the start of the year.
  - Income during the year.
  - Expenditure during the year.
  - The financial position at the end of the year.
- The Association should comply as appropriate with any other financial requirements imposed by funders and others the Association may work in partnership with.
- The Association should keep an up-to-date asset register of its main items of equipment, e.g. playing gear; racquetballs., racquets, gym equipment; cups & medals, computer equipment.

### **Declaration of Understanding – Financial Management Policy**

**I have read and understand the P Financial Management Policy of the Racquetball Association of Ireland.**

**Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_