

Finance Management

1. In these rules, unless the context otherwise requires, the following expressions shall have the meanings hereby assigned to them:
 - a) “the League” means Peterborough & District Football League.
 - b) “the Directors” means the body of people, elected or appointed in accordance with the Leagues Constitution, to manage the business of the League and who are deemed responsible as Directors for the general control and management of the administration of the League.
 - c) “the Finance Director” means the Finance Director of the League appointed under League rules.
 - d) “the independent examiners” means the independent examiners appointed by the League at its Annual General Meeting.
 - e) “the independent examiner’s report” means the annual verification of the League’s accounts.
 - f) “budget” means the estimate of future incoming funds, expenditure and other applications of funds for a particular accounting period.
 - g) “the financial year” means the accounting period commencing 1st June annually and ending 31st May following and shall be construed in accordance with the requirements of the League Constitution.

General

2. The purpose of these rules is to provide a statement of the procedures and practices to be observed in the handling and dealing with the Leagues financial assets and activities and to ensure the League has in place effective systems of financial control to secure the protection of its assets and the prevention and detection of fraud, and to achieve a high standard of professionalism in the Leagues financial management.
3. It is the fundamental duty of the Directors to protect the Leagues assets and to secure their application for the Leagues objects and to this end the Directors shall, through the Finance Director, ensure that adequate financial controls over the League’s assets and their use are in place.
4. The Directors shall ensure that the financial activities of the League are at all times compatible and in accordance with the aims and objects of the League and its status as a registered League.
5. Directors of the League and are required to perform their duties with diligence and care, using such skills, experience and knowledge as each may possess. Directors may be personally liable in law for their acts or neglects or for losses arising there from.
6. The Directors shall ensure that records are kept, that annual reports and accounts are prepared in accordance with the requirement of the Companies House and that the annual accounts show a true and fair view of the League’s finances.
7. The Directors shall have the right to inspect or call for inspection without notice any or all the financial records, books, vouchers, receipts, bank statements and cash in hand of the League.
8. The Directors shall approve the League’s annual report and accounts and the Finance Director shall ensure that they are subsequently presented to the Annual General Meeting.
9. The Finance Director shall ensure that all members of the League and its Directors are provided with copies of the League’s Annual Report and audited Accounts 14 days prior to the AGM.
10. The Directors may delegate its functions in respect of the League’s financial management but shall not delegate its responsibility therefore as this legally belongs to the Directors alone.

Finance Sub Committee

11. The Directors may establish a Finance Sub Committee comprising any number of its Board members providing that the Chair, Fixtures Director, and Finance Director shall be in attendance.
12. The terms of reference of the Finance Sub Committee shall include the following and such other as the Directors may from time to time determine:
 - i To oversee the financial affairs and such other matters as specified in these rules of the League on behalf of the Directors and to report thereon to the Board.
 - ii to ensure on behalf of the Directors that proper and secure systems exist and operate for the making and keeping of the accounts and financial records of the League in accordance with these financial rules. League to use Sage Accounting online system.
 - iii to approve arrangements for preserving safely all financial records of the League for a minimum of 7 years from the end of the League's financial year in which they are made and for all annual financial statements being preserved indefinitely during the existence of the League.
 - iv to make recommendations for the effective and efficient use of resources, the solvency of the League and the safeguarding of its assets, and to keep under review on behalf of the Directors the management accounts which shall include bimonthly budget statements.
 - v to consider and make recommendation concerning the annual budgets for both capital and recurrent income and expenditure.
 - vi to consider and make recommendations on proposed contracts for the supply to the League of goods or services.
 - vii to monitor compliance with statutory requirement for financial reporting.
 - ix to consider such other financial matters as may from time to time arise.
 - x to act under delegated authority within such limits as may be prescribed by the Directors.
 - xi to forward the minutes of its meetings to the Board.

Finance Director

13. The Finance Director shall monitor the financial affairs and such other matters as specified in these rules of the League on behalf of the Directors and/or Finance Subcommittee.
14. The Finance Director shall, on behalf of the Directors, verify that proper and secure systems exist and operate for the making and keeping of the accounts and financial records of the League in accordance with these financial rules.
15. The Finance Director shall oversee the preparation of the League's annual financial statements and report.

Absence or Incapacity of the Finance Director

16. In the event of the absence of an elected Finance Director or in the event of the elected Finance Director being incapacitated then the functions and responsibilities assigned to him/her by these rules shall be temporarily transferred to the Chair or to such other members of the Directors as it shall determine.

Accountant

17. The Accountant for the League shall be engaged over the signature of the Finance Director or, in his/her absence, the Chair, having first been approved for appointment by resolution of the League at its Annual General Meeting.
18. The terms of engagement of the accountant shall be approved by the Directors and signed on its behalf by the Finance Director or, in his/her absence, the Chair.
19. The Finance Director shall invite the Accountant to the Directors meeting at which the annual accounts are to be considered and also to the Annual General Meeting at which the annual accounts are to be presented.
20. Liaison, contact and correspondence with the accountant shall be conducted by the Finance Director on behalf of the Directors or in his/her absence or if circumstances make it appropriate by the Chair.
21. The Finance Director shall, in accordance with any direction of the Directors, liaise with the accountant in planning the annual financial examination of the League and its scope, and in monitoring its progress.

22. The accountant may inspect the financial records and activities of the League or any of its activities of proper concern to them at any time without notice and report their finding to the Directors subject to the provision made in these rules concerning the Annual Financial Examination.
23. The Finance Director shall provide the accountant with copies of all Directors meeting minutes and also with all Finance Sub Committee minutes in preparation for their verification.
24. The accountant may, in addition, be required to undertake an assessment of such aspects of the League's financial policies, systems and procedures as may be determined by the Directors and shall report back to the Committee thereon.

Fraud and Financial Irregularity.

25. Every instance of fraud or financial irregularity, whether actual or suspected, shall be notified forthwith to the Chair who will determine, normally in consultation with the Fixture Director, who shall investigate it.
26. Members of the Directors and staff shall disclose to the Chair or other officer any personal interest in a contract of the League or other potential conflict of interest.

Operational Principles

27. If so, determined by the Directors, and in addition to records being kept on and maintained on a computer system designated for this purpose and to which no unauthorised staff shall have access. The authorisation of access shall require the approval of the Finance Director. Back-up copies of such computerised data shall be made regularly, and sufficient paper copies extracted to provide an adequate audit trail for all transactions.
28. The recording of the financial transactions of the League shall be done under the direction of the Finance Director in accordance with these rules.
29. The security of all financial systems used within the League shall be monitored on behalf of the Directors by the Finance Director who may periodically instruct the accountant to review their adequacy as part of the assessment provided for.
30. The annual budget of the League including all its activities shall be prepared under headings approved by the Directors.
31. No virement, between items of income or expenditure, within approved budget headings, may be made without the authority of the Finance Director with subsequent ratification by the Directors.
32. The Finance Director may also authorise virement between budget headings and shall report thereon to the Directors; this may be done through the Finance Sub Committee.
33. Where proposed expenditure additional to the total of an approved budget arises, then that proposal shall form a supplementary budget for approval by the Directors, through the Finance Sub Committee where appropriate.
34. The Finance Director shall monitor all budgets monthly and report thereon to the Directors, through the Finance Sub Committee where appropriate.
35. Should unforeseen circumstances warrant urgent action to either increase or decrease the income or expenditure of the League's budget, or any part thereof, then such action may be taken on the authorisation of the Finance Director and shall be reported to the Directors at its next meeting, through the Finance Sub Committee where appropriate.
36. A schedule of grants receivable shall be maintained by the Finance Director and reviewed by the Directors, normally through the Finance Sub Committee.
37. All invoices for grants and other income shall be raised under the direction of the Finance Director and numbered sequentially.

Banking Arrangements

38. Any bank account opened in the name of the League shall be with such bank and such branch thereof as the Directors shall direct.
39. All incoming receipts shall be recorded in Sage Accounting within a week of receipt and banked gross without holdback of part or the whole of any receipts.
40. All incoming receipts shall normally be banked within three working days of having been received.
41. The Chair, Finance Director, plus two other Directors shall be official signatories for each and every bank account the League may have.
42. The Chair and Finance Director have access to online banking.
43. Subject always to Rule 41 above, the Directors may by resolution appoint such other Directors members it considers appropriate as signatories to all or any of the League's bank accounts and all such appointments shall be recorded in the Directors minutes.
44. Cheques made payable to a nominated signatory must not be signed by that signatory.
45. The signing of blank cheques by any authorised signatory is hereby expressly forbidden as this would constitute a neglect in the duty of care owed by the Directors.
46. The Finance Director and Directors may hold a Bank Debit card in the name of the League, to make payments direct for goods rather than re-imburse someone through a general bank account.
47. Any instructions or authorisation to a bank, agency, person or supplier to the League to make payments, deductions, transfers or funds or similar by means other than online payments/cheque issued from a bank account held in the League's name shall be approved in accordance with rule 41 above.

Orders for Goods and Services

48. Purchase Orders for goods and services shall be made out on numbered official forms where it is reasonable to do so. Orders for goods and services shall set out the quantities, prices, discounts and terms in relation to packing and delivery.
49. Goods and services shall be ordered and payment for them authorised as follows, provided the expenditure is within the approved budget.
 - i Finance Director/Chair: up to £500. per transactions for the following items - premises maintenance, cleaning, postage, printing and stationery, use (but not installation) of photocopiers, telephone, gas and electricity.
50. Quotations shall be obtained in all cases where it is practical to do so and the terms of the accepted quotations stated on the orders.
51. At least three competitive quotations shall be obtained for all orders for goods or services in excess of £1,000. Purchases and contracts over £10,000 shall be subject to competitive tender. The Directors or the Finance Director may also direct other purchases and contracts to be subject to competitive tender.
52. The Finance Director, and in his/her absence the Chair, may for good and valid reasons authorise the waiving of the quotation and tender requirement imposed by these rules in, for example, the use of a supplier being granted sole-supplier status or who, having previously been awarded the quotation to tender in accordance with these rules, is to supply goods or services to the League on a contractually agreed basis.
53. The signatories on any contracts, assurances, deeds or other instruments in respect of the provision of goods or services including any payments shall be two members of the Directors, normally but not necessarily the Chairperson and the Finance Director, and the details thereof shall be reported to the Directors.

Accounts for Payment

54. All accounts for payment shall be addressed to the Finance Director.
55. No accounts for payment shall be paid without an official invoice and correct Purchase Order.
56. The Finance Director shall confirm the receipt of goods and services and their quality and quantity on the relevant account for payment (invoice).

Salaries and Wages

57. The Directors may be held individually and personally liable if negligent in ensuring compliance with Inland Revenue and Social Security regulations relating to wages and salaries.
58. Personnel records of staff containing their date of appointment, salary and actual salary payable shall be maintained and available for inspection by the Finance Director or accountant at any time.
59. All salary payments shall be authorised and paid by the Finance Director
60. HMRC form P45 or P46 shall be completed and submitted in respect of all workers in accordance with HMRC procedures and requirements.

Reserves Policy

61. The purpose of the Operating Reserve Policy for Peterborough & District Football League is to ensure the stability of the League and ongoing operations of the organisation. The Operating Reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, onetime unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure. Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of the League for Operating Reserves to be used and replenished within a reasonably short period of time.

The Operating Reserve Fund is defined as a designated fund set aside by action of the Board of Directors. The minimum amount to be designated as Operating Reserve will be established in an amount sufficient to maintain ongoing operations and programs for a set period of time, measured in months. The Operating Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes. The target minimum Operating Reserve Fund is equal to minimum 6 to maximum 12 months of operating costs. The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries and benefits, occupancy, office, travel, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation. The amount of the Operating Reserve Fund target minimum will be calculated each year after approval of the annual budget, reported to the Board and included in the regular financial reports.

Any excess in reserves will be utilised for the benefit of all member clubs, providing support and /or assisting with new initiatives that are relevant at the particular time, such as the provision of equipment, subsidised courses / training, or other schemes that assist in the development and sustainability of member clubs.

Fixed Assets

62. The Finance Director shall maintain a list of all items of furniture and equipment with a purchase price of £500 or more.

Insurance

63. The Directors shall approve arrangements for the adequate insurance of all the capital, revenue and other assets of the League.

Amendments

64. These Financial Rules may be amended by resolution of the Directors from time to time in such manner and to such extent as the Directors shall consider appropriate, providing always that at least 7 days

notice of any proposed amendment shall be given to each and every member of the Directors prior to the meeting at which it is to be considered.

65. The Directors may seek professional advice on any proposed amendment to these rules and shall provide the Accountant with the full details of any amendment made.