



Financial Control Policy

Introduction

The British Athletes Commission (the BAC) is a funded partner of UK Sport. The BAC has a contribution to play as the members' association for Olympic and Paralympic athletes (predominantly) in the contribution to medal success in the relevant summer and winter Olympic cycle(s). The BAC is therefore in receipt of public(Lottery) funding and the athletes (members) are dependent on their association for advice, support and guidance and to act as their voice in informing and influencing key stakeholders in the high-performance sporting environment.

Financial Control Policy

This document covers the financial controls for the procedures listed below. They are subject to periodic review.

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Risk Management Policy

Purpose

The purpose of this policy is to enable meaningful and practical financial control of the company and to set standards, methods and authority levels.

Financial records and controls must be in place so that the Board:

- has proper financial control of the organisation;
- meets its legal and other statutory obligations; and
- meets the contractual obligations and requirements of stakeholders such as UK Sport and Members.

Banking & Bank Accounts

The British Athlete Commission operates bank accounts (a current account and deposit account) with HSBC bank.

The company will not use any other bank or financial institution, or use overdraft facilities or loan, without the previous agreement of the Board.

A bank mandate (the list of people who can sign cheques on the company's behalf) will be approved and minuted by the Board, as will any changes to it.

The bank accounts will be generally managed online, with access restricted by an electronic authentication tag held by the Finance Officer.

The current account may also have a cheque book and a company charge card. The charge card is assigned to the Chief Executive Officer. (Details of Charge Card Controls are in section 6)

Cheques

- The Financial Officer will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept in a secure place.
- Each cheque will need to be signed by at least two people.

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- A cheque must not be signed by the person to whom it is payable.
- Blank cheques will never be signed.
- The relevant payee's name will always be inserted on the cheque before signature, and the cheque stub will always be properly completed.
- No cheques should be signed without original documentation

Banking

- Banking is carried out by the company's Finance Officer when required.
- Cash/cheques (rare) are entered into the bank and financial accounting system as soon as practically possible.
- The register shows who sent the funds & what the funds were for.
- The paying in slip should show a clear breakdown of funds being banked and should reflect the items in the register.

Reconciliation of Accounts

- Bank statements for the bank account are received and reconciled by the Finance Officer monthly.
- The account must be reconciled on a monthly basis.
- Direct debits/standing orders as well as Interest received/Bank charges must be entered into the system.
- Any items that need to be queried should be actioned at the time of reconciliation with notes made on any action taken to resolve the query.
- Copies of the reconciliations must be maintained.

Payment of Invoices

Invoices are generally paid electronically on a monthly basis. Invoices for agreed budgeted items below £500, can be paid by the CEO or the Finance Officer.

All other invoices for payment are authorised as the schedule below. Where no authorisation is shown this should be queried by the Finance Officer and payment should be delayed until authorisation is received by at least two members of the Board.

Category	Upper Limit	Authorised Person
Staff Expenses (receipted)	>£500	Board Member and Finance Officer
Other Expenses, stationery, rent etc. (Payable on Invoice)	>£500	Board Member and Finance Officer
All other items	>£500	Two members of the Board
All other items	Over £2500	Board Approval

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In the rare event of the need for a cheque payment, the number and date of the cheque should be written on the invoice as a cross reference.

The cheques must be signed by any two of the authorised signatories.

Cheques are to be sent by 2nd class post. The system should immediately be updated with details of expenditure.

Invoices must be filed for future reference and inspection as part of the year end audit.

Petty Cash & Expenses

The company does not hold Petty Cash. All small expenses will be purchased by a staff member or the Chief Executive Officer and reimbursed via an expense claim.

The company will reimburse expenditure paid for personally by volunteers or staff, providing it has been agreed to do so, and that:

- fares are evidenced by tickets
- other expenditure is evidenced by original receipts containing details of items claimed
- car mileage is based on agreed and reasonable mileage rates (45p per mile for first 10,000 miles)
- honorarium claims (if applicable) should be accompanied by a record of what this is being paid for, and demonstrates the agreed activity has taken place.

Payroll

Salary scales are fixed at the time of appointment. A general review is made to salaries once a year and must be authorised by the Board.

The Finance Officer will be authorised to make monthly salary and PAYE payments in line with approved salaries and budgets.

Charge Card

The charge card issued by HSBC is under the control of the CEO. The pin number is not to be disclosed to other members of staff. A maximum of £500 can be spent on the card each day. Receipts for all other expenditure for which the cards is used shall be given to the Finance Officer with explanations

Accounting Application

The company uses Kashflow, an online accounting tool. It is used to record all financial transactions and can produce reports to the satisfaction of the independent examiners. The lead user for Kashflow is the Finance Officer, although all board members have access

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to online reporting. It should not be used other than for reference purposes by anyone other than the Finance Officer or the CEO, except with the permission of one of those individuals.

Income & expenditure are recorded by account.

A full set of reports can be produced including balance sheet, income and expenditure and full transaction listings.

Reconciliation

During the production of the monthly and quarterly management accounts and at year end, the following accounts should be reconciled:

- Bank Accounts
- Debtors
- Creditors
- Grants Received in Advance
- Payroll Control Account

Capitalisation and Depreciation

The following sets out the British Athlete Commissions capitalisation and depreciation policies.

Capitalisation

- Equipment with a purchase price less than £500 or which is expected to have a useful economic life of less than two years should be expensed as a revenue item at the time of purchase.
- Equipment with a purchase price in excess of £500 and an expected useful economic life in excess of two years should be capitalised and depreciated over its expected useful economic life.
- Details of the asset should be listed in the British Athletes Commission asset register (an Excel spread sheet). In order to ensure the asset may be identified the following information should be included on the spreadsheet: description, purchase price, date of acquisition, supplier and, if applicable, invoice number etc. The date of any sale or disposal, and any proceeds received, should also be included on the register.
- The asset register is to be prepared and updated regularly by the Financial Officer.

Depreciation

- Depreciation is to be calculated on a straight line basis and charged to the profit and loss account at least annually.
- Depreciation is recorded on the balance sheet under account 'Depreciation for the Year' with the balance transferred to 'Cumulative Depreciation' at the start of the new financial year.
- As a control, depreciation should also be recorded in the asset register at individual

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asset level annually.

Budgeting Process

At the beginning of each financial year a budget shall be produced by the Financial Officer for consideration and approval of the Board. This budget shall take account of the Income and expenditure of the company for the forthcoming year. It shall be prepared in consultation with the senior officers of the company and with funders and relevant outside agencies.

The overall aim will be to project a balanced budget throughout the year which can be managed and adjusted as the organisation operates through the year.

A report comparing actual income and expenditure with the budget should be presented to the steering group/members on a regular basis (possibly every three months).

Managing the Budget

The Finance Officer will report the Budget to Actual Income and Expenditure to the Board (and other stakeholders where applicable) each quarter.

End of Year Accounts

Accounts must be drawn up by the Financial Officer at the end of each financial year within three months of the end of the year for submission to the company's Accountants.

The Accountants will be appointed by the Board each year.

The Accounts will be prepared by the accountants with information provided by the Finance Officer.

On production by the Accountants, the accounts will be checked by the Finance Officer and approved to go to the Board for their final approval and subsequent presentation to the AGM.

The Auditors (if required) will be appointed at the Annual General Meeting.

This Financial Control Policy has been discussed and agreed by the Board.

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