

# RMGC Policies & Procedures

## **Policy #11: Management of Captain's Committee Funds**

### **A. General**

The responsibilities of the Captain's Committee (CC) are laid out in the RMGC Constitution [Rules 6.5.2, 6.5.4, 7.2]. In short, the CC is responsible for all matters golf as delegated by the Board of Management (BOM) and operates within policies established, approved and amended from time to time by the BOM. In this respect, the BOM delegates the day-to-day management and control of funds generated from or related to all official Club competitions and related social events to the CC on condition that all such funds are accounted for as members' funds and on the understanding that they are to be treated as such in the RMGC accounts.

For the avoidance of doubt, all RMGC funds are members' funds and CC funds form a part of the whole though they are separately managed. The essence of this policy is to clarify the responsibility for the management, accountability and accounting of CC funds, subject always to policies determined by the BOM by whom authority is delegated to the CC and to whom the CC is ultimately responsible.

Procedures or policy must be workable: continuity and consistency on an on-going basis are essential for the CC to fulfil its role. Therefore, the BOM has established the following terms and conditions under which the CC must operate and manage the funds for which it is responsible:

### **B. Terms & Conditions.**

- The CC will account in a timely manner for the collection and distribution of funds pertaining to all RMGC Golf Competitions (Men's, Ladies', Mixed, Happy Gilmores' and Juniors') and Social Functions.
- As these funds are, as a matter of policy, not available for the general expenses of RMGC, the Club Secretariat may operate a separate bank account within the Club's accounts (The CC Members' Funds Account) for the receipt of and payment from CC funds as described above and operated at the direction of the Captain and Treasurer of the CC. This will separate CC funds from those related to other RMGC activities.
- The Captain will ordinarily delegate the management of the funds of the Ladies' section to the Lady Captain and those of the Junior Academy to the Head of the Junior Academy.
- The CC is responsible for reconciling on a monthly basis the records of the CC to the nominal account maintained in the books of RMGC and for reconciling both to the separate bank account referred to above, liaising with the Club Secretariat as necessary.
- The CC will prepare a monthly income and expenditure account for the CC Funds, showing the source of income received and a breakdown of expenditure divided between competitions, events, social occasions and general matters.
- These accounts must be submitted to the BOM via the General Manager monthly and may be accessed by Members on request. They will be placed on the Club noticeboard with the Minutes of regular monthly Board Meetings. The Captain will present the free cash positions at each Board Meeting and will identify any serious concerns or variances. The outgoing Captain has the opportunity to comment on CC accounts in his report at the AGM.

# RMGC Policies & Procedures

## C. Competitions

The main principle underlying the management of the competition funds is one of broad fiscal neutrality over the financial year whilst ensuring that a contingency fund, generally not exceeding 10% of competition fees, is retained to meet unexpected financial requirements such as the failure of a sponsor to fulfil its contractual obligations.

- Fees for all official competitions will be set at the sole discretion of the CC but that income should be applied approximately as follows:

30% via ball sweep; 60% for trophies/prizes engraving/honour boards, rule books etc; 10% for contingency fund.

- No competition should be run at a loss except for the annual Malta v The Rest competition which, but for the subsidy from CC funds, could register a loss . Knockout competitions must be self-financing with 100% of all entry fees being returned as prizes. Otherwise, to the extent that funds from one competition are applied to another, this must be proportionate.
- The monthly team competitions (Captains League, Falcon Cup and Fenston Cup) and the Creasy Cup should be separately accounted for; and no funds may be transferred to or from the CC funds other than a surplus on the Creasy Cup which will be transferred to CC funds. Otherwise, these competitions must be self-financing.
- Except for non-cash prizes donated by sponsors, sponsorship terms, conditions and funding are the responsibility of the BOM who will determine policy in this area. The BOM has sole responsibility for all sponsorship agreements of whatever nature, the terms and conditions therein and funds generated from such agreements.
- Sponsored competitions should be managed in accordance with the RMGC Sponsorship Policy. If a competition is sponsored, then all sponsor funding (as agreed to be allocated by the BOM), must be utilised for the competition then being sponsored.
- Social functions aim to run on a break even basis.
- An amount of no more than 10% and not less than 5% of the gross annual income as shown in the CC accounts in that year should be carried over from one Captain's year to the next. [Otherwise, in practice, if the 10% contingency keeps on being fed in year after year and no claims are made upon the contingency reserve, an unnecessarily large reserve is built up].
- Any funds in the Contingency fund in excess of 10% of that Captain's year's gross annual income as shown in the CC accounts at June 30<sup>th</sup> each year may be spent by the outgoing Captain as he considers appropriate for the benefit of the members generally. A clear record of when and how such funds are spent must be maintained.

# RMGC Policies & Procedures

## D. General Financial Procedures

1. Departure from good procedures and acceptable accounting standards could invite problems for RMGC as a whole, for example in the area of VAT or cash payments. As a general rule, therefore, the CC should be sensible and diligent and, where in doubt, consult the RMGC Treasurer.
2. Where the Club Secretariat is used to receive or pay away funds on behalf of the CC, the CC will at all times comply with the Club's policies and procedures especially in connection with the purchase order process as agreed with the General Manager.
3. The Captain must establish clear authority levels for expenditure by the CC, have these written down and in the CC minutes. At the beginning of each "Captain's year", the Captain will provide the General Manager with a written list of CC officers who may sign/approve CC invoices for payment, detail any specific limits established in this respect and provide a specimen copy of the signature of each signing officer.
4. Any amount of expenditure by the CC must be wholly and exclusively incurred in the process of the CC carrying out its duties. Any payment to, or on behalf of, a member of the CC must be authorised in advance by the BOM, a copy of the minute for which must be maintained for auditing purposes. In respect of the latter, any entertaining or bar allowance for the Captain or CC should be agreed with the BOM at the beginning of the Captain's year.
5. The Club Secretariat will prepare a 12 month income and expenditure account at the end of each financial year which will be an extract from the accounts of two separate captains' years. These accounts will be consolidated in the overall RMGC accounts.
6. These accounts and the underlying transactions will also be subject to audit as part of the RMGC audit and any issues arising will be included in the auditor's management letter. It is, therefore, important that authorisation levels, control procedures and details of those individuals who administer CC funds are noted and available to the auditors and that proper documentation and receipts are maintained and available.

Prepared by BOM: 23<sup>rd</sup> July 2014

Last reviewed and updated by BOM: 22<sup>nd</sup> January 2019