

### Auditor's Recommendations

As part of the end of year accounts process our Auditor made a number of recommendations which have been circulated previously. These included:

- Paypal being reconciled monthly
- Petty cash being reconciled onto SAGE
- A tiered approach to deposit holding
- College recharge to show on SAGE
- Assessing the conference loss
- Tighter control on debt collection
- Consistent approach to sports budgets

The majority of issues above are being addressed in conjunction with the Executive Officer, Administration Assistant and Book-keeper and more information can be provided if requested.

### Sports Budgets

The Auditor's report stated the following:

*A consistent and fair approach to the money held on behalf of sports and any deficits / surpluses that they generate. In the year 31 July 2010, any sport making an actual surplus on activities had this surplus added to their balance brought forward. Any sport making a loss had this absorbed by SUS whether or not it exceeded the amount that SUS had agreed to support it during the year. A fairer approach might be to say that deficits exceeding the level agreed by SUS should in fact be deducted from their brought forward balance. There is also the question of how to deal with sports which exceed their brought forward balance and the budget set by SUS. I would suggest that this be discussed by the Executive and their decision be documented as part of the financial procedures.*

There is general agreement that the sports budgets need to have closer monitoring. Due to largely historical factors circumstances are different for each sport.

Annexe one shows the current picture of balances held on behalf of sports by SUS. Some sports make a profit yearly and are amassing a reasonable sized sum of money which is being held by SUS on their behalf. Other sports made a profit for the first time last year and so have had a budget code for brought forward created for them.

Annexe two shows the sports programme budget for this year where the middle column outlines the budget that SUS is allocating to each sport.

The following recommendations are proposed:

- **Communication:** The Sports Programme Manager will annually have a discussion with each sport about finance. This will include an idea of the income and expenditure that would be expected for the year, the budgeted figure allocated by SUS, and any balance held by SUS.
- **Monitoring:** In line with other financial monitoring on a monthly basis SUS Executive Officer will analyse income and expenditure against projected budget. A Monthly report will be provided by the SUS Executive Officer to the Sports Programme Manager and where there is any noticeable difference a discussion will then be had with the sport involved to find out any reason and budget adjusted accordingly.
- **SUS Budget:** Consideration needs to be given as to whether or not sports which regularly generate a surplus should have a budget allocation from SUS and a general procedure should be drawn up accordingly.
- **End of Year:** a policy needs to be agreed on our approach to both end of year surpluses and deficits on a sport by sport basis.
- **Balances held by sports:** a policy needs to be agreed on how to deal with historical and future balances held by sports.
- **Accounts held outwith SUS office:** a policy needs to be agreed on whether or not SUS should continue to support, recognise or sanction sports which have a separate financial structure outwith standard SUS procedures.

SUS Executive is asked to:

Item
○ Discuss report above and decide on processes to meet auditor's recommendations.

## Annexe One - Budget Report B/F Amounts

Date: 20/01/2011

### Scottish Universities Sport

Page: 1

Time: 09:49:54

### Budget Report

From: Brought forward  
To: Month 12, July 2011

Chart of Accounts: B/F Amounts [PARTIAL]

	<u>Period</u>				<u>Year to Date</u>			
	<u>Actual</u>	<u>Ratio(%)</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Ratio(%)</u>	<u>Budget</u>	<u>Variance</u>
<b>Income</b>								
Archery	2,950.86	(58.76)	0.00	2,950.86	93.15	(1.85)	0.00	93.15
Athletics	13.95	(0.28)	0.00	13.95	0.00	0.00	0.00	0.00
Badminton	607.12	(12.09)	0.00	607.12	452.65	(9.01)	0.00	452.65
Basketball	1,114.35	(22.19)	0.00	1,114.35	0.00	0.00	0.00	0.00
Boxing	64.80	(1.29)	0.00	64.80	0.00	0.00	0.00	0.00
Cross Country	187.88	(3.74)	0.00	187.88	0.00	0.00	0.00	0.00
Cricket	2,413.51	(48.06)	0.00	2,413.51	0.00	0.00	0.00	0.00
Fencing	799.55	(15.92)	0.00	799.55	85.00	(1.69)	0.00	85.00
Football	5,523.22	(109.98)	0.00	5,523.22	1,711.77	(34.08)	0.00	1,711.77
Golf	4,563.43	(90.87)	0.00	4,563.43	3,160.00	(62.92)	0.00	3,160.00
Hockey	318.16	(6.34)	0.00	318.16	0.00	0.00	0.00	0.00
Karate	287.16	(5.72)	0.00	287.16	0.00	0.00	0.00	0.00
Lacrosse	43.19	(0.86)	0.00	43.19	0.00	0.00	0.00	0.00
Netball	2,630.46	(52.38)	0.00	2,630.46	495.15	(9.86)	0.00	495.15
Sailing	500.00	(9.96)	0.00	500.00	0.00	0.00	0.00	0.00
Shinty	432.66	(8.62)	0.00	432.66	340.90	(6.79)	0.00	340.90
Squash	42.75	(0.85)	0.00	42.75	0.00	0.00	0.00	0.00
Swimming	435.84	(8.68)	0.00	435.84	0.00	0.00	0.00	0.00
Table Tennis	789.59	(15.72)	0.00	789.59	275.91	(5.49)	0.00	275.91
Tennis	800.00	(15.93)	0.00	800.00	0.00	0.00	0.00	0.00
Trampoline	1,941.67	(38.66)	0.00	1,941.67	1,153.57	(22.97)	0.00	1,153.57
Volleyball	226.93	(4.52)	0.00	226.93	0.00	0.00	0.00	0.00
Waterpolo	1,579.79	(31.46)	0.00	1,579.79	776.80	(15.47)	0.00	776.80
Other	42.10	(0.84)	0.00	42.10	0.00	0.00	0.00	0.00
Curling	625.47	(12.45)	0.00	625.47	625.47	(12.45)	0.00	625.47
Judo	769.05	(15.31)	0.00	769.05	769.05	(15.31)	0.00	769.05
Rifle	1,290.34	(25.69)	0.00	1,290.34	1,290.34	(25.69)	0.00	1,290.34
Women's Football	124,814.11	(2,485.28)	141,066.00	(16,251.89)	(16,251.89)	323.61	141,066.00	(157,317.89)
	155,807.94	(3,102.43)	141,066.00	14,741.94	(5,022.13)	100.00	141,066.00	(146,088.13)
<b>Net Profit/(Loss):</b>	155,807.94	(3,102.43)	141,066.00	14,741.94	(5,022.13)	100.00	141,066.00	(146,088.13)

