

With apologies for my tardiness, herewith my report to Council.

Since my last report in April 2013, much good work has been done on the financial front by Chris Mattos and John Philpott, and I believe that the ECF has been well served by them both. John in particular has worked tirelessly on the ECF's behalf since assuming the role of Financial Controller.

In my last report I recommended that a number of actions be implemented to improve the quality of the ECF's financial controls and reporting, and I set out below progress against those actions. John, to whom I am indebted for his regular updates on progress, is of the view that for many of the actions it remains a case of work in progress and that much remains to be done. I for one would not disagree with that assessment.

Review the ECF's billing and collection procedures to ensure the completeness and timeliness of membership and game fee income collection.

Game fee used to be dealt with on effectively an honesty box basis. There was a one-off exercise carried out to try to identify underpayments, but there was no systematic approach. We have now moved to a situation where game fee is invoiced for, based on a calculation by the ECF of the games played by non-members. This has to be the right way to go, but the implementation has left a lot to be desired. The production of the underlying information reached the ECF Office on an intermittent basis, and was simply turned into invoices without a further degree of intelligent review being applied. John is currently dealing with league game fee invoicing himself with the intention of getting everything up to the end of the financial year billed by the end of October.

As regards membership, for non-FIDE rated chess it is largely an individual decision as to whether or not to join, and somebody either is or is not a member, with resultant game fee implications. While there are some issues with the PaySubsOnline system, John believes that these can be fixed, and he is keeping an independent eye on what is coming in through Paypal against what we would expect.

Produce an accounting manual for the Office to provide in particular a robust information source at times of staff absence or handover.

This has not yet been started given other demand on John's time and his need to get to grips with the complexity of the ECF's financial processes.

Develop a properly documented set of expense authorisation procedures for ECF directors, officials and staff.

Pending a revised version of the Financial Bye Laws, Chris has introduced the concept of a monthly payment run so that all cheques are drawn in one go at the end of the month instead of intermittently. This means that Chris and John have the opportunity to review payments in addition to sign off by budget holders. John believes that this provides an appropriate degree of challenge.

Develop robust monthly management accounts (including full year forecasts and tracking against budget as well as tracking against key performance indicators such as membership numbers and income, ECF graded and FIDE rated games etc).

A presentation on management information was given to the Board earlier this year, and since then John has concentrated on liaising with individual directors on progress against their own budgets rather than trying to develop an overall package. We are now into a new financial year, and John is looking to have financial updates as a standard agenda item. This will require reviewing the timing of Board meetings to better dovetail them with the availability of monthly financial information.

Provide appropriate financial training for the relevant staff at the office so that over time the ECF becomes less dependent on John's financial expertise.

One of the problems in the office is that there is little interchangeability of skills, with financial matters in particular largely in the hands of one person. In such a small office this lack of segregation of duties and dependence on individuals is to an extent unavoidable, but it does bring with it increased financial risk which John and I believe will need to be addressed much more rigorously than previously.

Financial training to develop interchangeability of skills together with reinforcement of the requirement for segregation of duties where this is possible would mitigate this exposure to a degree; although some training has taken place, more work in this area is needed.

Further develop the suggestion that future British Championship congresses, and ideally other major ECF-run events, should have a dedicated treasurer for the event.

John's appointment as treasurer for Torquay 2013 worked well, and the principle should be adopted for future major ECF-run events.

Carry out further work on ensuring that the ECF gets good value for the money it spends.

There has been some progress, but on a piecemeal basis; we have for example now moved from Cardnet to Worldpay for credit card processing.

Mike Truran