

Since my last report in October 2012 I believe that we have seen a significant strengthening in the ECF's financial control and governance, thanks in no small part to the new team of Chris Mattos and John Philpott, which appears to be working well. The combination of Chris' strategic financial direction and John's attention to financial detail will, I believe, stand the ECF in good stead for the future, and I am particularly pleased that John's selfless willingness to delve into the detailed financials has freed Chris up to spend more time on strategic issues rather than needing to be involved in the minutiae of the financial processes. Moreover, Chris's and John's face-to-face engagement with the Office has been at a significantly greater level than under previous regimes; this can only be a good thing given the lack of support the Office has to my mind had on occasion in the past. The staff at the ECF office should also be commended for the part they have played in the general improvement in financial controls and governance in an environment of significant change and some uncertainty.

Two immediate consequences of this hard work are that the financial statements for the year ended 30 April 2012 are, if regrettably late in their production, at least in a fit state to be presented to Council, and that the budget for the 2012/2013 year is also available in reasonable time for Council to consider and comment on. In particular, the accompanying commentaries to both the financial statements and the budget represent a significant advance in the quality of the financial information presented. Now that things appear to be on a more even keel, there seems to me no reason why under the present team both financial statements and budgets should not be produced on a timely basis henceforth.

Although much good work has been done in the financial arena, a number of areas will need further review and development over the coming year. My suggested 'shopping list', which I have discussed with Chris and John, is as follows:

- A review of the ECF's billing and collection procedures to ensure the completeness and timeliness of membership and game fee income collection.
- Production of an accounting manual for the Office to provide in particular a robust information source at times of staff absence or handover.
- Development of a properly documented set of expense authorisation procedures for ECF directors, officials and staff.
- The development of 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).
- Appropriate financial training for the relevant staff at the office so that over time we become less dependent on John's financial expertise.
- Further development of the suggestion that future British Championship congresses, and ideally other major ECF-run events, should have a dedicated treasurer for the event. (In this regard, I am pleased to note that John will be the treasurer at Torquay).
- Further work on ensuring that the ECF gets good value for the money it spends (again, in this regard I am pleased to note the number of tender committees which have been convened recently).

I have commented before that some at least of the above initiatives may well cost money. While the ECF is, as we all know, not exactly flush with funds at the moment, I remain of the view that it is important to continue the good work already started on reducing the risk of recurrence of some of the problems of the past and on developing the ECF into an organisation that is fit for purpose from the financial controls and governance point of view. I would therefore strongly suggest to Council that should Chris and John in particular request extra funding to improve the ECF's financial processes, such a request, so long as it is properly costed and measurable in terms of outcomes, should not be lightly ignored.