

ENGLISH CHESS FEDERATION FINANCE COUNCIL MEETING APRIL 2019

Report from Chairman of the Finance Committee.

There have been steady improvement to the financial reporting during the year given the time constraints within the finance function. The financial reporting is becoming more regular and timely, reflected in the continued improvement in the filing of the statutory financials.

The budgets are in line with those presented at the Annual General Meeting last year with the additional increase in costs proposed to be offset by a mix of increase in membership rates and other funds. There is projected to be a short term period of losses whilst the stepped increase in proposed membership rates and projected increase in membership numbers take impact.

The costs are made up of a number of fixed and variables costs which will enable some flexibility, if required, in future years if the income anticipated is not achieved. The board also continues to seek external funding to support its strategy. The plan maintains a reasonable level of reserves. The Board will need to monitor closely the membership income and individual directorate spend during the year to ensure that the overall budget is achieved, particularly given the deficits budgeted.

The board has discussed in detail the future of the Permanent Investment Fund. The process, as outlined in the finance report, provides a balanced approach and the basis for funds provided to the Chess Trust. This will help ensure the process is operated efficiently whilst supporting the purpose of the funds.

The finance committee last met in January 2019 and are meeting again this month. The committee have reviewed with David Eustace a number of focus areas including the process for the internal and external financial reporting, a financial controls in place, the level of resources available to support the finance function, the budget projections and reserve levels. The committee will also be represented at the tender process for the management of the junior chess academy.

I would like to once again acknowledge the amount of work put in by David Eustace, and by the office team involved in various finance activities within the Federation.

Tim Herring

31 March 2019