



Bowl Club Funding Guide

Part 3 : Quick Tips for Club Financial Management

EVERY PENNY COUNTS!

QUICK TIPS FOR CLUB FINANCIAL MANAGEMENT

Running a club can be a challenge – especially when it comes to balancing the books. With decreasing memberships and increasing costs it becomes more and more difficult to make a club sustainable.

What's more, most of our clubs and office bearers have inherited plenty of historical challenges from our predecessors; things that could have been easily fixed a long time ago are now big problems...

Do you recognise any of these comments :

Bowling clubs aren't supposed to make a profit!
Why are our membership fees going up?
Why are we paying so much for that?
What is being done to bring in more income?
We didn't have these problems in the past!

Getting the finances right is a critical role of the whole club committee and the responsibility lies with more than just the treasurer.

Financial management is also about more than just drawing up the accounts at the end of the year – it is a year-round job – and it also requires the club and committee to communicate openly the management of the club.

Most club members won't think much about the finances of the club until the year end accounts – at that time it is too late to change anything, or to communicate the plans you have for the club.

These financial tips can help you in delivering better practice financial management for your club. They have been compiled by a number of individuals with a range of experience in running bowling clubs, managing finance for sports clubs big & small, and those who's day jobs involve financial management.

Quick Tip # 1

Look at Past Trends

Not every year will be the same, but when you compare a number of consecutive years you might identify some useful trends.

What sources of income have gone up or down – by how much?

What expenses are increasing, which by the most?

What can you do about these trends?

Identify your past trends and it will help you identify the areas on which you need to focus your effort... this may confirm what you've already suspected or there might be some surprises.

Importantly – it is also an opportunity for your club committee to discuss these trends and test how much agreement there is about what the club needs to do.

Quick Tip # 2

Establish a budget for the year ahead

Many clubs will operate on a hand-to-mouth existence, meaning that every penny goes towards making sure the club can continue to operate day-to-day.

Has your committee agreed a budget for the year ahead?

Are you prepared to say 'NO' when someone wants to spend money on something not in the budget?

Often clubs don't plan in advance and this means that something important gets forgotten about until the last minute, money gets spent on lower priority projects, or you only know the level of income after season is done!

Preparing a budget for the year ahead can help you identify what your expenses will be, where your income will come from and – most importantly – when that will happen.

A budget can take a lot of the unknowns out of running the club finances and helps you to communicate the club's financial plans to committee... and the membership.

Quick Tip # 3

Frequent Financial Reporting

Now that you have a budget in place, it is easy to start reporting back on how the club is performing financially – most clubs will already have a treasurers report as part of committee meetings and comparing against the annual budget should be part of this.

Do you wait until the year-end accounts before you communicate the club's financial situation?

Does your Treasurer's report understandable for people who are not financial experts?

By reporting back throughout the year the committee can take action if it looks like you will miss a budget target and you will avoid getting to the end of the year and having a surprise – good or bad.

Also consider how you present the financial report, some people may be confused by a spreadsheet with numbers – whilst this might not seem like a problem, it can lead to confusion, disagreement, and even accusations that someone is trying to hide something.

Quick Tip # 4

Plan for the BIG costs

**How long before you need a new mower or clubhouse roof?
How will the club pay for maintenance projects like the clubhouse?**

It's easy to spend your time focusing on the near-term financial goals for your club but it's also important to think about the longer-term targets too – like how the club will have enough cash in the bank for a replacement roof, a new mower, or refurbishing the bankings.

When it comes to planning for big costs you should:

- Review all clubs assets – from furniture to the clubhouse, mowers to computers - and draw up an 'asset register'. This can help for insurance purposes as well.
- Your asset register should include when you expect to replace the asset, and how much it is expected to cost to replace.
- Start saving for asset replacement now – it's easier to save a small amount every year than find a lump sum when you need it urgently.

Don't put off what you can do today – ensure that your club is building its reserves to and planning for the long-term.

Quick Tip # 5

Clear Policies & Procedures

Who signs the checks or makes bank transfers?

How much can the committee spend before they need membership approval?

What is the club's approach to debtors?

What is the club policy for petty cash?

Will the club accounts be audited or just checked?

Does the club require to undertake any specific procedures as part of its legal status?

To establish trust and consistency in the club's financial processes, and avoid any 'irregularities' it is important that the club has a clear policy in place to answer these and other questions.

Establish a written financial procedures document, ensure it is kept up to date, and make sure the committee are aware of the processes you have and you will avoid plenty of future headaches, and can be confident your club finances are transparent and fair.

Quick Tip # 5

Shop Around

Are you getting the best deal on insurance, equipment, materials etc.?

What expenses are increasing, which by the most?

A common mistake clubs make is not reviewing their costs and looking for the best deal – simple things like energy, insurance, water rates, stock for the bar, even maintenance contracts can often be areas where changing supplier will save you money.

Make it a project to review each of your suppliers and check what kind of deal they offer, and if you can get the same, or even better elsewhere. Just asking the question is likely to save you money!

If you would like support in preparing a club budget, need help to draw up a finance policy, or just want further guidance on club financial management, club governance or planning for your club then contact the Bowls Scotland development team by emailing

development@bowlsscotland.com