



**Canada Rugby League Association
(CRLA)**

**Financial Controls Policy
By-law Adopted October 26, 2023**



Canada Rugby League Association | Financial Controls Policy

Financial Controls:

These financial policies and procedures shall be implemented at all times consistently with the organization's by-laws.

Fiscal Year:

The fiscal year of the organization is Jan 1 through Dec 31

Budget:

1. **Budget Calendar.** The budget year shall be the same as the fiscal year of the organization.

2. **Budget Process.**
 - a. **Presentation of Budget.** The President & Treasurer shall present a general annual budget for the operation of the organization to the board of directors for action no later than the spring board meeting each year.
 - b. **Board action.** The board of directors will receive the report and recommendation of the President & Treasurer and adopt a budget based thereon.

3. **Administration of Budget.** Written documentation of expenses shall be provided to the organization's administrative office for payment of budgeted expenses. Expenses not anticipated and approved by the budget (either in type or amount) shall be referred to the board for review and direction as to payment.

Bank Accounts:

1. **Creation.** The organization shall maintain such bank accounts and investments as consistent with the organization's By laws and as authorized by the board of directors from time to time.

2. **Reconciliation.** Monthly account statements shall be sent by the Treasurer to the Board and shall be delivered, unopened, to an volunteer who does not have signatory authority over the account. Promptly upon receipt of the monthly account statement, the volunteer who does not have signatory authority over the account shall reconcile the bank account transactions and ending balance with the financial records of the organization.



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- a. **Signature Authority.** The following individuals have signatory authority on Canada Rugby League bank accounts: the President or Treasurer
 - b. **Signature Requirements.** Two signatories have authority to issue checks up to and including \$5,000. For any checks that are greater than \$5,000, the Treasurer must review the documentation and approve payment in writing by the board before the check is issued.
3. **Transfer of Funds.** No funds shall be transferred by the Treasurer to or from investment accounts (excluding transfers to and from a money market account) without approval of the board of directors.

Receipts:

1. **General.** All organizational receipts for deposit shall be sent directly to the Treasurer. If the Treasurer receives receipts for deposit, they shall be deposited into the organization's bank account after notifying the Board.
2. **Recognition of Income.** Revenue will be recognized over the period to which it relates. Such amounts earned, but not received, will be reported as receivables. Such amounts received, but not earned, will be reported as deferred revenue. Membership fees are non-refundable and shall be recognized as a pass through cost for insurance payment, upon receipt. Revenue restricted by donor or other outside parties will be reported as an increase in unrestricted net assets if a restriction expires in the year in which the revenue is recognized. All other restricted revenue will be reports as an increase in temporarily restricted net assets.
3. **Accounts Receivable.** All receivables shall be treated as fully collectible. Accordingly, no allowance for doubtful accounts is required. If accounts become uncollectible, they will be charged to operations when that determination is made.
4. **Cheques.** All cheques shall be restrictively endorsed immediately upon receipt whether by the Treasurer with the notation, "For Deposit Only, [Bank Name], [Account Number]." Copies will be made of all checks received and they, together with any corresponding invoices to which they pertain, will be maintained by the Treasurer.
5. **Cash.**
 - a. All receipts of cash will be accompanied by the issuance of a cash receipt by the Treasurer or any of its agents in a position to



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accept cash. The cash receipts shall be sequentially numbered and indicate the amount received, the purpose of the receipt, and be signed by the individual who received the cash on behalf of the organization. The Treasurer shall maintain control of the cash receipts book at all times.

- b. The President and Treasurer have authorization to make payments up to \$50, any amount over \$50 will require payment voucher signed by both the President and Treasurer

4. **Deposits.** All funds received for deposit by the Treasurer shall be promptly recorded and verified and deposited into the organization's chequing account within a week of receipt. Deposits shall be made intact and cash shall not be returned back upon deposit.

Audit Framework:

1. At the end of the grant period, a financial statement shall be prepared and submitted to the Funders/Donors based on the Funders/Donors Financial Statement format after an independent external audit.
2. The Federation's financial statements shall be audited annually by an independent external Auditor appointed by the Federation, approved by the Board.
3. The appointed auditor shall examine the internal controls of the Federation as set by the Federation management to assure themselves of the accuracy and reliability of the records in safeguarding the assets of the Federation.
4. Following this examination the Auditor shall issue a report that shall draw the attention of the Federation's to the weakness, if any, that have come to their notice. The auditor shall also make recommendations as to how to rectify the weakness detected.
5. The main objective of the audit shall be to provide an independent opinion as to whether or not the Federation's financial statements show a true and fair view of the state of affairs of the Federation.
6. It shall be the duty of the Accountant to prepare the financial statement necessary for audit.
7. The Accountant shall also be responsible for making available all documents and information requested by the Auditor for the purpose of the Audit.
8. The Federation shall ensure that the auditors audit the Federation's accounts at the end of each fiscal year. The auditors shall be



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required to submit to the Federation certified true copies of the following audited reports.

- i. Audited reports for all grants received
 - ii. Audit report of the financial statement as a whole
 - iii. Management letter
- 9.** The signed audited accounts shall be attached with management's responses to all issues raised in the letter of weakness before any report could be submitted to interested parties
After the audit of grants, the Federation shall keep all documents pertaining to all audited grants for at least 5 years.