



LEGAL & FINANCIAL GUIDELINES FOR RUGBY CLUBS



The background of the page is a black and white photograph of a filing cabinet. The labels on the drawers are handwritten and include months and years, such as 'June 2000', 'Nov 2000', 'Apr 2001', 'Sep 2001', 'Feb 2002', '2002', '2001', and '2000'. The labels are slightly out of focus, creating a sense of depth.

Introduction

These guidelines are issued to assist existing clubs to adopt good practices and procedures. They also provide a frame work for new clubs to enable them to commence operations on a sound footing.

The following are the area's covered:

- Legal structures
- Role of Trustee's
- Budgeting & Accounting
- Club Constitution Template
- Financial Templates

Legal Structures

Most rugby clubs are voluntary associations set up by the members and governed by a written constitution. The constitution is a document establishing the club. It sets out the purpose for which it has come together and the rules under which it proposes to operate.

The constitution outlines:

- Name of the club
- Objectives
- Methods of management
- Conditions under which the club operates
- It regulates relationships between members, I.R.F.U., Branch and third parties
- Sets out members rights & responsibilities

No two clubs are the same in their aims or objectives. However in any constitution there are certain matters which are common to all clubs.

Appendix 1. is a draft template which can be used by clubs to draw up or replace existing constitutions. The procedure to follow is to prepare the draft constitution using the template (or any other template you wish) and have the **clubs legal agent** review the document.

Clubs should review their constitutions at least every two years and amend same where necessary.

A key component in club constitutions is the role of trustees. A summary of the role of Trustees is set out in Appendix 2.

In some cases Clubs may have a different structure which usually takes the form of a company limited by guarantee. Such structures usually apply where clubs may be made up of rugby and other sports or where facilities are shared with other organisations. If the club decide on this type of structure a solicitor should be used in the set up or for conversion.



Budgeting & Accounting

Introduction

Where is your club's money coming from? And where is it going? It is essential that your club has a budget and procedures in place to effectively manage your finances. Your club must be seen by all members to be managing the money with extreme care and honesty.

Key points

Project revenues conservatively... avoid over-optimism. If people believe the money is there, then they'll spend it.

Project expenses as realistically as possible and add a 5-10% contingency.

When preparing the budget, prepare the expense side first. Include input from the people who run the teams and manage the programs.

Collecting subscriptions is critical. Membership fees are not only important for the purpose of attaining revenue but also because it ensures your players are fully insured.

Preparing a budget

When standardising the club's bookkeeping procedures, first determine the club's fiscal year-end date. The financial results for the past year, budget for the New Year and the Annual Report should be presented at the club's Annual General Meeting (AGM),

Approximately three quarters of the way through the club's fiscal year, the Treasurer should start to prepare the following year's budget and develop a comparison of how it relates to the current year's budget i.e.

indicate how the budget has changed from one year to the next.

Budget components

The club budget should relate to the annual and long-term plans of the club and in this way it will reflect the club's priorities and how they are addressed in the annual and long-term plans. The budget tracks both revenues and expenses.

Example line items to include in your expenses:

- Pitch lease
- Buildings
- Affiliation Fees
- Compulsory team insurance
- Property insurance
- Coach salary
- Travel
- Phone
- Administration expenses
- Meetings
- Rentals

Line items to include in your revenues:

- Bar profits
- Fundraising/sponsorship
- Membership subscriptions
- Raffles
- Merchandise sales

Templates are provided in Appendix 3

Balancing the books

The budgeting process requires that clubs determine what they plan to spend and then what they think they can realistically raise. Your club's budget should always balance and never result in negative figures (a deficit), as this can put your club on the speedy road to bankruptcy. A club can plan for the future or a rainy day by moving some of your club's money into funds marked as cash reserves. If your club has any assets, the Treasurer should also maintain a balance sheet, (what you have and what you owe).

Keep in mind that club's often accumulate most of their revenue from the likes of sponsorship and membership subscriptions collected during one small part of the year, while expenses are usually incurred throughout the year. Therefore, your club should project an annual cash flow pattern so that it knows more accurately when funds will be coming into the organisation and when they will be going out.

Who is responsible?

It is important that all clubs keep a sufficient level of control over the finances generated through their activities. Computerised accounting systems help clubs maintain an accessible and accurate accounting of the financial transactions that have taken place. However, the administrators of each club should look to appoint a treasurer or accountant to manage the finances of the club. Clubs have found that it is better to limit the number of people with access to bank accounts and with the authority to sign cheques on behalf of the club.

The Treasurer

Most clubs appoint one of the club administrators as a Treasurer. It is useful if this individual has a background in finance and/or accounting. The Treasurer may have a number of roles which include:

- Signing cheques
- Presenting regular financial reports to the Management Committee
- Participating in budget development
- Maintaining up-to-date and accurate records
- Collecting all money due to the club through memberships etc
- Issuing receipts for all money received and recording this information
- Preparing the year-end statements and forwarding to its Branch & IRFU as required.

The club should work with the Treasurer to establish how money will be collected and funds recorded at all special events and fundraising activities. Remember, keys for petty cash boxes, safes and tills should be held by a few specified individuals.

Treasurers have a responsibility to report on the Financial affairs of the club at every executive meeting

and AGM. As a minimum the following details should be presented at Executive meetings:

- Income
- Expenditure
- Bankbalance(s) – with statements reconciled
- List of accruals & prepayments (where appropriate)
- Details of investments & bank loans (where appropriate)
- Financial commitments

The main duty of the treasurer at the AGM is to prepare an

- Annual financial statement and balance sheet
- Report to be placed before the AGM for consideration
- Copy of financial statements should be forwarded to clubs members prior to AGM
- It is recommended that annual accounts should be audited independently.
- Financial statement to be approved by the Executive Committee prior to AGM, and signed by two of three officers – Chairman, Secretary and Treasurer

Electronic assistance

Today, many clubs are using computerised accounting, which can be found at affordable prices. For example, SAGE or the Big Red book are simple to use and readily available. Most of these programs generate reports automatically and don't require an extensive background in computing to use them effectively. With the continued simplicity of today's technology, maintaining accurate financial records for your club should be relatively easy, helping you to keep your club running as smoothly as possible.

Taxation & Regulation

Clubs must ensure that they are revenue compliant. A periodic review by a local accountant will ensure this. Clubs should ensure good practice in the following area's:

VAT - most clubs will not be registered for VAT with the exception of Bars who may be so registered.

If your Bar is registered ensure that the VAT returns are submitted on time.

Expenses paid to club members must be properly documented. Mileage should give details of the trip undertaken.

The Big Red Book (Contact Marc O'Dwyer 01-2048324) have agreed to provide substantial discounts on their accounts system and their payroll system.

Appendix 1

Constitution for ABC RFC.

Rules of ABC Rugby Football Club:

1. The club shall be called **“the ABC Rugby Football Club”**. The objects of the club are the playing and furtherance of Rugby Union Football. All other games, past-times, or athletic activities, whether indoors or outdoors, lawfully permitted by the club committee in or on the club’s property shall be functions of the ABC Rugby Football Club’s Social section and shall be incidental or ancillary amenities, subservient in all respects to rugby football and its best interest in the club.

(The intent of this Rule is that in the event of any conflict, financial, administration, social or otherwise arising in the Club as between Rugby Football and any such games, past-times, athletic activity or other function of the Club’s social section the interest of Rugby Football in the Club shall be paramount, and it shall be the duty of the Club Committee to rule and act accordingly)

2. The registered address of the club shall be at address needed ,
3. The Club colours shall be a ??? jersey with ??? hoop, ???shorts and ??? socks with ???top.
4. The officers of the club shall be the President, Senior Vice President, Junior Vice President, Chairman, Trustees, Honorary Secretary, Assistant Honorary Secretary, Honorary Treasurer, Assistant Honorary Treasurer, Honorary Fixtures Secretary (if any), Captain of the Club (if any), Branch Representatives (if any) and Public Relations Officer. Officers can hold office for a maximum period of three years. They can be re-elected as an officer two years after they previously held office.
5. The committee of the club shall consist of the officers, the Branch representative, the Mini Rugby Secretary, and six ordinary members. The quorum of committee meetings shall be six. The committee shall have power to co-opt such additional members as may be required for special purposes and also to appoint sub-committees, (including selection committees). The trustees shall be members, ex-officio of all sub-committees concerned with administration of the club.
6. The committee shall be elected at the Annual General Meeting of the club and shall hold office until the next succeeding Annual General Meeting unless otherwise disqualified under these rules. The Committee shall hold not less than one meeting per month during the Rugby Football season. No officer or member of the committee shall be removed from office save with the consent of not less than two thirds of the members present and voting at a special meeting.
7. The committee shall exercise general management and control and shall conduct all the business and affairs of the club. No member of the committee, or manager or servant employed in the club, shall have any personal interest in the sale of excisable liquors therein, or in the profits arising from such sale. Correct accounts and books shall be kept showing the financial affairs and the receipts and disbursements of the club. The committee shall have power to make regulations from time to time touching all matters affecting the club and its property, and such regulations shall have the same force and effect as these rules. Every member of the club shall be bound by these rules and all regulations made there under.

8. (a) The Trustees shall be not less than three and not more than five in number.
- (b) All property of the club shall vest in the Trustees of the club. No personal liability shall be attached to the Trustees or to any Trustee acting in the ordinary and proper force of the club's business.
- (c) The club shall not incur any single expenditure exceeding €10,000 without the consent in writing of the Trustees of the club. The club and/or the trustees are authorised and empowered to borrow from time to time such sums of money to an extent not exceeding such amount, and upon such terms and conditions as may be authorised from time to time by a resolution of the Executive Committee of the club.
9. Every General Meeting shall be convened by the Honorary Secretary who shall give each member due notice (minimum of seven days) in writing of the hour, date and place thereof and the reason for convening thereof, the quorum for a General Meeting shall be 15.
10. The Annual General Meeting of the club shall be held in the month of May each year. Detailed reports concerning the working of the club for the previous year and its financial position shall be presented by the appropriate officers.
11. A Special General Meeting may be called at any time at the request of the committee or on a requisition to the Honorary Secretary, signed by not less than 15 paid up full members of the club, giving detailed particulars of the business for which the meeting is required. The Honorary Secretary shall within 15 days from receipt of such requisition convene a Special General Meeting of the club.
12. The President, or his nominee shall be chairman of all meetings and in the absence of the President or his nominee, a chairman may be appointed by those present and entitled to vote.
13. If, at a meeting, a quorum has not assembled within 30 minutes after the time appointed for such meeting, the Honorary Secretary may, at his discretion, declare such meeting abandoned.
14. The voting at every General Meeting shall be by ballot (or at the Chairman's discretion, by show of hands) and in the event of a tie the Chairman shall have a second or casting vote. Only bona fide full members of the club as defined below and adult playing members can vote at such meetings and hold office in the club.
15. MEMBERSHIP
- (a) Any person playing and/or training for or with any club teams shall be considered de facto a playing member of the club for that season. Such membership can, however, be cancelled, by a decision of the club committee. Persons under 18 years of age shall not be eligible to vote at General Meetings, nor to be sold or supplied with excisable liquors.
- (b) Non playing members shall be in the following categories:
1. Full members
 2. Family members
 3. Clubhouse/Pavilion members
- Such membership shall be granted at the absolute discretion of the club committee and any member who has paid an appropriate subscription shall be considered a bona fide member of the club unless such membership has been refused by a final decision of the club committee.
- (c) Waiver of legal rights: pursuant to the provisions of section 34(1)(b) of the Civil Liability Act 1961 members waive their legal entitlement to claim against a fellow member, Officer or Committee member, compensation for personal injury, loss or damage, however caused.
16. ANNUAL SUBSCRIPTIONS:
- The Committee may from time to time as they think fit recommend entrance and membership fees to the Annual General Meeting. Annual subscriptions fall due on the 1st September and any paying member whose subscription is 12 months overdue shall forthwith cease to be a member of the club.



17. No person shall be allowed to become an honorary or temporary member of the club or be relieved of payment of the regular subscriptions save that the members and officials of visiting teams (including the match official), shall be deemed to be temporary honorary members for the day on which they are playing/visiting and shall be entitled to enjoy the amenities of the Club.
18. The Committee shall have power to elect honorary life members.
19. Should a member conduct himself in the manner that in the opinion of the committee is derogatory to the club the committee may call for an explanation and, if they think fit, remove such a person from membership without any obligation to refund his subscription.
20. Data Protection: Pursuant to the provision of the Data Protection Act 1988-2003 members consent to the club obtaining, recording, holding and retaining their personal data (including sensitive personal data) solely for club purposes, either on its computer or its manual filing system, and consent to the use of all such data, including disclosure to third parties, for the proper and effective management of the club
21. REGISTRATION OF CLUBS ACTS, 1999/2008 Section 7 of the INTOXICATING LIQUOR ACT, 2000
 - 21.1 No person other than a member (as defined in Rule 3 hereof) shall order or pay for refreshments in the clubhouse. Cash must be paid for every expense incurred in the clubhouse before the person ordering leaves the premises.
 - 21.2 No visitor shall be supplied with excisable liquor on the club premises unless on the invitation of and in the company of a member, and that member, shall, upon the admission of visitor to the club premises or immediately upon his being supplied with such liquor, enter his or her own name and the name and address of the visitor in a book which shall be kept for the purpose and which shall show the date of such visit.
 - 21.3 The committee of management may prohibit the admission of any visitor to the club premises and no member shall bring any person whose admission is prohibited into the club premises.
 - 21.4 No excisable liquor shall be sold or supplied for consumption outside the premises of the club, except to members of the club, between the hours of eight o'clock in the morning and ten o'clock at night.
 - 21.5 No excisable liquors shall be sold or supplied in the club premises to any person under the age of eighteen years.
 - 21.6 No member of the Committee of Management or officer, and no manager or servant employed by the club, shall have any personal interest in the sale to the club of supplies of excisable liquors, or in the profits arising from such sale.
 - 21.7 Subject to the exceptions contained in clause 21.8, no excisable liquor shall be supplied for consumption on the club premises to any other person (other than a member of the club lodging in the club premises) or be consumed on the club premises by any person (other than a member of the club lodging on the club premises).



21.7.1 (a) On weekdays, Monday, Tuesday, Wednesday before 10.30 a.m. in the morning and after 11.30 p.m. in the evening

(b) On Thursday, Friday and Saturday before 10.30 a.m. in the morning and 12.30 a. m. in the evening.

21.7.2 On any Sunday, before 12.30 p.m. in the afternoon and after 11.00 p.m. in the evening.

21.7.3 On St. Patrick's Day, where that day falls on a weekday, before the 12.30 p.m. in the afternoon or after 12.30 a.m. in the evening

21.7.4 At any time on Christmas Day or Good Friday.

21.7.5 Christmas eve and the eve of Good Friday between 10.30 a.m. in the morning and 11.30 p.m. in the evening.

21.8 Nothing contained in the Registration of Clubs Acts, 1904 - 1999, or contained by virtue only of the operation of clause 21.7 hereof, shall operate to prohibit the supplying for consumption of excisable liquor to any person or the consumption of excisable liquor on the club premises by any person

21.8.1 (a) On Christmas Day, between 12.00 midday and 10.00 p.m. in the evening.

(b) On any other day, for one hour after the expiration of any period in respect of that during which it is lawful for the club to supply any excisable liquor for consumption on the club premises If in each case the excisable liquor is –

(1) ordered by the person at the same time as a substantial meal is ordered by him or her

(2) consumed at the same time as and with the meal supplied and consumed in the portion of the club premises usually set apart for the supply of meals, and

(3) Paid for at the same time as the meal is paid for

21.9 In the clauses 21.7 and 21.8 hereof, 'weekdays' and 'Sunday' have the meanings assigned to them by Section 1 of the Intoxicating Liquor Act, 2000.

In addition to the foregoing rules, the clauses and regulations embodied in the registration of Clubs Acts, 1904 to 1999 and the Intoxicating Liquor Acts amending and extending the same, shall be deemed to be rules of the club.

Appendix 2: Trustees

Amendment & alterations

No alteration, amendment, or addition (shall be made to these rules except at the Annual General Meeting of the Club with the consent of at least two thirds of the members present and voting (save that an alteration, amendment, or addition required to comply with any statute may be made by the committee) provided always that should any motion at any General Meeting be considered by not less than seven members present and voting to be inimical to the best interests of Rugby Football in the club, such motion shall be referred to the I.R.F.U. committee whose decision as to whether or not the Motion be so inimical shall be final and binding; and pending the decision of that Committee no steps shall be taken to implement the Motion, notwithstanding that it shall have received the said two thirds consent. Notice of any proposed alteration, amendment or addition shall be given in writing to the Honorary Secretary at least seven clear days before the first day of May preceeding the Annual General Meeting.

- a. There shall be at least three (3) and not more than five (5) Trustees of the club.
- b. A Trustee must be a club member, over 18 years of age and have at least three years membership prior to appointment.
- c. The present Trustees of the club shall be retained on adoption of any revised constitution.
- d. A Trustee shall cease to be a Trustee if:
 1. He/she resigns from the trusteeship.
 2. If removed by a vote of two-thirds of the members present at a Club Annual or Special General Meeting - due notice having been served to the members.
 3. The Trustees shall be known as "The Trustees of the ABC Rugby Club"
 4. All properties of the club shall be vested in the Trustees to be dealt with by them, held, sold, mortgaged, leased, etc., as the club shall from time to time direct and so record in the minute book.
 5. The funds of the club, over and above current year's requirements shall be vested in the Trustees and held in deposit / investment accounts in the name of the "ABC Rugby Club". Such accounts to be used as the club may from time to time direct & shall require the signatures of any three Trustees and in addition, the signature of the Club Honorary Treasurer.
 6. The Trustees shall be indemnified against risk and expense by the club, provided they act in a prudent and sensible manner consistent with the interests and objects of the club.
 7. The Trustees shall act with majority agreement.
 8. The Trustees may meet as and when necessary but in any event shall meet once per year, with the club Treasurer to review the club assets and trust funds.

Balance Sheet – As at 31/12/2008

	2006/7	2007/8	2008/9
NET ASSETS EMPLOYED			
Fixed Assets			
Cost			
Other			
Total Fixed Assets			
Accumulated Depreciation			
Net Book Value			
Current Assets			
Stock			
Debtors			
Bank and Cash			
Other			
Total Current Assets			
Less Current Liabilities			
Trade Creditors			
Bank Overdraft			
Short-Term Loan			
Other			
Total Current Liabilities			
Net Current Assets			
Net Total Assets			
FINANCED BY			
Capital			
Loan Capital			
Other			
Accumulated Profits/Deficit (-)			

ABC Club Income & Expenditure Projections

Summary of Years 2008 to 2012 (€000.s)

	2008	2009	2010	2011	2012
Income					
Sponsorships					
Membership					
Fund raising					
Draws					
Hoardings					
Other (specify)					
Non-Operating Revenue					
Total Income					
Expenditure					
Wages					
Premises					
Power/Heat					
Repairs & Maintenance					
Insurances					
Travel					
Telephone & Postage					
Pitch Maintenance					
Football costs (specify)					
Football costs Youth					
Rent & Rates					
Medical Costs					
Training courses					
Bank Charges					
Bank Interest (Short-Term)					
Depreciation					
General Expenditure					
Other					
Total Expenditure					
Net Income (Expenditure)					
Long-Term Loan Interest					
Net Income (Expenditure)					
Cumulative Profit/Loss(-)					

ABC RFC Income & Expenditure

Account year to 31/12/2008

	Last Year 2007/8	This Year 2007/8
Income		
Membership Subscriptions		
Sponsorships		
Advertising		
Social events		
Fundraising		
Other (specify)		
Other (specify)		
Non-Operating Revenue		
Total Income		
Expenditure		
Wages		
Rent		
Power/Heat		
Repairs & Maintenance		
Insurances		
Travel		
Telephone & Postage		
Coaching expenses		
Printing & Stationery		
Ground Maintenance		
Advertising		
Accounts/Legal Fees		
Web Site Costs		
Bank Charges		
Bank Interest (Short-Term)		
Depreciation		
General Expenditure		
Other		
Total Expenditure		
Excess Income/Expenditure		
Long-Term Loan Interest		
Excess Income/Expenditure		

Income & Expenditure Account - 12 Months

Period Starting	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Totals
Income													
Membership Subscriptions													
Sponsorships													
Advertising													
Social events													
Fundraising													
Other (specify)													
Other (specify)													
Non-Operating Revenue													
Total Income													
Expenditure													
Wages													
Rent													
Power/Heat													
Repairs & Maintenance													
Insurances													
Travel													
Telephone & Postage													
Coaching expenses													
Printing & Stationery													
Ground Maintenance													
Advertising													
Accounts/Legal Fees													
Web Site Costs													
Bank Charges													
Bank Interest (Short-Term)													
Depreciation													
General Expenditure													
Other													
Total Expenditure													
Excess Income/Expenditure													
Long-Term Loan Interest													
Excess Income/Expenditure													
Cumulative Inc/Exp													



**For clubs or club members interested in finding out more about refereeing,
please contact the Community Rugby Manager in your Province:**

Munster Rugby

Tel: 021 4323563

Fax: 021 4323956

Leinster Rugby

Tel: 01 2693224

Fax: 01 2693142

Connacht Rugby

Tel: 091 561568

Fax: 0909 643083

Ulster Rugby

Tel: 048 90493111

Fax: 028 90491 522

The IRFU shall not be liable for any loss or damage whatsoever arising from the use of or reliance on the information contained in this Guidance Note. The IRFU reserves the right to amend or withdraw the information contained in this Guidance Note.

