

Fraud Prevention and Detection – Internal Office Procedures

With a relatively small number of staff it is difficult to devise a system that allows for a highly comprehensive independent cross checking of funds movement but the following procedures are in place:

1. All sums secured from members and other parties are entered on a daily basis. This is reconciled daily by the Finance and Membership Manager and covers licence fees paid by cheque. The receipt of cash is rare but is accounted for daily.
2. Supplier invoices are authorized for payment through the independent verification of the receipt of the goods from signed goods received notes or other evidence. The chief executive or other designated senior manager must approve all invoices prior to payment as detailed in the GBWBA Finance Policy.
3. Expense claims are verified by either the respective managers, the Events Manager at events and for all other claims, the Chief Executive or other designated senior manager in his absence. The CEO's expense claims are periodically reviewed by the Chairman and/or account Treasurers.
4. All payments are either made electronically or by cheque. Electronic payments are raised by either the Account Treasurer or the Membership and Finance Manager. Where possible double checks will be made by a secondary board member or the Chief Executive.
5. The only time we really handle cash is at events for ticketing and merchandise sales. We have a policy of always having two employees verifying and passing on all cash sums to the finance manager or the CEO. Funds are returned to the office promptly the next day (where possible) and the totals are verified by our system audit on a daily basis. At events funds are secured in a suitable container such as a safe.
6. Payroll amendments must be approved by the CEO. Any adjustment to the CEO's salary must be authorised by the Chairman or Treasurer.
7. The payroll is prepared and actioned by the Membership and Finance Manager and World Class Performance Treasurer.
8. A fixed asset register is maintained and assets checked off to the register annually with the GBWBA Auditor.
9. The relative independence of the CEO is vital to the detection of fraud and no entries in the books of account (Quick Books System) are made by him/her.
10. Stock control is headed up by the Member & Finance Manager. Periodic checks are also completed by the Chief Executive and of course the auditors do a complete review at the end of each accounting period.