



SPORT-CLUB JFKS
JOHN-F.-KENNEDY-SCHULE BERLIN e.V.

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FINANCIAL REGULATIONS

Last amended on April 18, 2018

Translation of the German text: "Finanzordnung"

§ 1 General Principles of Efficiency and Economy

1. The financial affairs of the Sport-Club John-F.-Kennedy-Schule Berlin e.V. (hereinafter referred to as “SC JFKS”) are to be conducted in accordance with the principles of sound and efficient financial management. The expenses must be commensurate with the expected and realized returns.
2. The main club (“SC JFKS”) and each division must comply with the principle of cost coverage.
3. In accordance with the principle of solidarity the main club and the divisions support each other in maintaining and ensuring the continuity of their sport activities.
4. The club’s funds may only be used for statutory purposes. The members – in their capacity as members – do not receive any financial allowances from these funds.
5. No person shall benefit from expenditures that contradict the stated purposes of the club or through unreasonably high remunerations.

§ 2 Budget

1. For each fiscal year the SC JFKS board and each divisional board must prepare a balanced budget listing the expected revenues and planned expenditures. The budget’s structural layout must correspond to the main club’s chart of accounts. To simplify the procedure, the divisions are required to use the budget template submitted by the SC JFKS.
2. The draft budget of the main club and the draft budgets of the divisions are discussed and reviewed by the members of the extended SC JFKS board.
3. The draft budgets must be submitted to the SC JFKS board by April 15th for the following fiscal year. Should a division not submit a draft budget by April 15th, the existing divisional budget will be considered as the eligible budget for the upcoming year.
4. Discussions on the draft budgets take place until the end of June of the current fiscal year.
5. The main club assumes various administrative tasks, as reflected in the SC JFKS budget:
 - subsidies for durable sports goods and capital goods
 - contributions to the umbrella associations of the club
 - expenses of awards according to the Code of Honor
 - office expenses
 - office management expenses
 - webpage expenses.
6. The divisions assume and finance various tasks. They must be listed in their divisional budgets:
 - payment of the basic fees
 - contributions to specialized associations
 - expenses of organizing competitions
 - remuneration of trainers and instructors
 - expenses of purchasing sports equipment
 - expenses of purchasing sportswear
 - reimbursement of public transportation/travel expenses
 - advertising expenses

- fines
 - registration fees
 - gifts
 - social get-togethers of divisions
 - training camps, excursions
 - expenses of the training of trainers and referees
 - travel expenses for attending courses and conferences.
7. The results of the extended board's discussions will be submitted for approval to the relevant divisional membership meetings and the assembly of delegates.
 8. If divisions spend more than the funds available to them in two consecutive years, the SC JFKS board is entitled to demand that those divisions institute higher divisional membership fees.

§ 3 Annual Financial Statement

1. The annual financial statement must record all revenues and expenditures of the SC JFKS and of each division for the expired fiscal year. In addition, that statement must contain a profit and loss account.
2. The annual financial statement must be audited by the elected auditors pursuant to §15 of the club's Articles of Association. The auditors are entitled to review the books on a regular basis.
3. The auditors must ensure compliance with the Financial Regulations.

§ 4 Financial Management

1. All financial transactions will be handled by the treasurer of the relevant division unless the financial transactions are assigned to the SC JFKS treasurer.
2. The SC JFKS treasurer administers the club's main account.
3. The SC JFKS bookkeeper records all divisional revenue and expenditure items in the books, making separate entries per division.
4. Payments are only made by the SC JFKS treasurer and the divisional treasurers if they are properly documented pursuant to §6 of these Financial Regulations and if sufficient funds are available according to the budget.
5. The SC JFKS treasurer and the division heads are responsible for budget compliance in their areas of responsibility.
6. Upon request, the SC JFKS board opens divisional bank accounts for each division. In agreement with the divisional boards, the SC JFKS board decides who is to be granted signatory powers. Each division maintains a ledger in which all revenues and expenses are consecutively entered on a daily basis and numbered. The bank statements and the ledger, including all original documents (invoices, transfer receipts, deposit slips, accounting statements etc.), are to be submitted to the SC JFKS bookkeeper, usually once per month at a fixed date.
7. In case of repeated non-compliance with these Financial Regulations the relevant division's treasury and division's account is put under the SC JFKS board's financial management.

8. In exceptional cases the SC JFKS board may permit special cash boxes or special bank accounts for a limited period of time (e.g. in case of large events not organized by the entire club). Revenues and expenditures are to be settled in cooperation with the SC JFKS treasurer. Generally, these special accounts must be closed at the latest two months after the event took place.

§ 5 Collection and Use of Funds

1. All fees for full-time and time-limited membership are levied on behalf of the club. Each division decides the level of its membership fees. A basic fee decided upon by the assembly of delegates will be paid from the divisional membership fees to the SC JFKS main account to cover the SC JFKS's financial requirements. The remaining fee income is at the disposal of the divisions. A one-time registration fee of 25€ must be paid by any new member joining the club, regardless of the division joined. The fee is a non-refundable payment to the SC JFKS.
2. Surpluses arising from sport activities or social get-togethers are booked via the corresponding divisional accounts. Upon prior agreement, services rendered or payments made by the SC JFKS or other divisions are offset accordingly.
3. For tax reasons the divisions are not entitled to conclude their own advertising contracts. Proceeds from advertising must go to the SC JFKS as the contracting partner. They are internally credited to the relevant division's account.
4. For tax reasons proceeds from jersey advertising must be directly settled via the SC JFKS main account.
5. Funds must be used pursuant to § 2 of these Financial Regulations.
6. Funds to which other divisions are entitled must be immediately transferred to the relevant account by the responsible treasurer.

§ 6 Payments

1. All payments are made via the relevant account and shall be made preferably and primarily electronically.
2. A receipt must exist for every revenue and expenditure. The receipt must list the date on which the payment was made or the revenue achieved, the amount paid or obtained and the purpose. The value-added tax (VAT) amount must be clearly stated on all invoices.
3. In case of a collective invoice, its cover page must list the number of all receipts attached to it.
4. Prior to a payment by the treasurer, the divisional head or his/her deputy must confirm the factual legitimacy of the expenditure by signing it.
5. The confirmed invoices must be submitted to the SC JFKS treasurer or the divisional treasurer within a time frame that allows taking advantage of an early payment discount (if applicable).
6. To finalize the annual financial statement on time, any cash expenses must be settled with the SC JFKS treasurer or the divisional treasurer in charge by July 30th of the closing fiscal year.

§ 7 Donation Receipts

1. The SC JFKS board is entitled to issue donation receipts for preferential tax treatment.
2. Donations are grants made voluntarily and without remuneration. They may involve both monetary and non-cash benefits, but no usages and services. Donations are voluntary if they are made without any legal obligation. They are non-remunerated if there is no causal link between the donation and any return.
3. Donations benefit the entire club if they are not explicitly assigned by a donor for the benefit of a particular division of the club.

§ 8 Inventory

1. To keep track of the club's possessions, the SC JFKS and the divisions must prepare an inventory and submit it at the end of each fiscal year to the SC JFKS board.
2. The list must comprise all items not intended for consumption.
3. The inventory must contain:
 - the designation of the item with short description or inventory number
 - the date of acquisition
 - the cost of acquisition
 - the division that purchased the item
 - the place where the item is kept/stored.

Items that were taken out of service are to be listed as well, indicating why they were removed/delisted.

4. All assets existing in the divisions (cash, items in stock, sports equipment etc.) are the club's sole property, regardless of whether the items were bought by the club or donated to the club.
5. Non-usable or excess equipment and/or stock shall be sold as profitably as possible. Proceeds must be transferred to either the SC JFKS account or to the divisional account in accordance with the allocation of the equipment or item in the inventory. A corresponding receipt must be submitted. If items were donated to a third party, a receipt confirming the donation must be presented as well.

§ 9 Subsidies / Grants

1. Public aid does not automatically flow to the various divisions.
2. Any grants not specifically earmarked will be distributed as decided upon in the draft budget discussion meetings.
3. Subsidies granted for youth activities are to be used for youth work only.

§ 10 Reduced Membership Fees

Welfare recipients and financially disadvantaged persons may, upon application and resolution of the extended board, receive a discount on their basic membership fee. The amount and policy to apply shall be determined by the respective divisional boards.

§ 11 Miscellaneous

1. Divisional heads may not enter into employment, hiring or leasing contracts. Such contractual obligations must be approved by the SC JFKS board.
2. It is forbidden to break down a single business process into several parts in order to establish responsibility for approval of an expense.
3. The following documents must be kept for ten years: accounting documents incl. purchase and sales invoices, receipts and bank statements, records, annual financial statements, profit and loss accounts, journals, ledgers, charts of accounts, organizational documents, audit reports, data carriers, payrolls, inventories, tax declarations, tax assessments, contracts (if required for tax issues), court documents and business correspondence.

§ 12 Entry into Force

These Financial Regulations came into effect on June 7, 2000, following their adoption by the extended board. They were amended on March 13, 2010, by the assembly of delegates and again revised on April 30, 2015 and April 18, 2018, by the extended board.