

Commercial partner support Procedure

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GENERAL

Commercial Partner support income can amount to a substantial amount of funds and is an area of particular concern for auditors who require a procedure to be in place that mitigates against any risk of misappropriation of funds.

An equally important area to address is what benefits the commercial partner will be receiving for the funds given. The process is a contractual one where, essentially, they are paying for a service or product we are providing and there needs to be no doubt about what the contractual obligations are, be it displaying banners at an event, their branding on the website etc.

Procedure

- 1.) The person negotiating the sponsorship fills in form FF5 noting the following
 - Initiators name
 - Initiators contact details
 - Commercial partners name
 - Contact person name and contact details
 - What event or activity is being supported
 - Support package offered
 - RACI's obligations
 - Initiator to sign document
- 2.) The form is sent to the financial officer who
 - Generates an invoice based on the request form
 - Sends the invoice to the commercial partner copying in initiator
 - Has CEO sign the request and invoice and files them for record purposes
- 3.) On receipt of payment the financial officer
 - Records the amount paid and date received on the request form
 - Sends a copy of the completed request form to initiator
 - Enter amount received against the relevant Job number and business centre in MYOB
 - Has the CEO reconcile the original request with journal entry and sign it off
- 4.) After the event or supported item is completed the initiator to tick off what was supplied to the commercial partner against the listed obligations and, if possible, get the partner to sign off.
The completed document to be sent to NO for final filing.