



NATIONAL FINANCIAL MANAGEMENT COMMITTEE

APPLICATION PROCEDURES

TRANSACTIONS GOVERNED BY NFMC

Units of the Association must have the express approval of Central Council prior to any property related transactions including the undertaking of borrowings from a financial institution.

The authority to approve such transactions is delegated by Central Council to the National Financial Management Council, a sub-committee of An Coiste Bainistí.

UNDERTAKING OF BORROWINGS FROM A FINANCIAL INSTITUTION – Approval Process Guide

Any unit is authorised to incur borrowings up to €15,000 (stg£10,500) without seeking external approval. For borrowings in excess of this limit the following authorisations are required:

Under €15,000 / stg£10,500.....	no external approval required
€15,000 to €75,000 / stg£10,500 to stg£52,500.....	County board approval required
€75,000 to €150,000 / stg£52,500 to stg£105,500....	Provincial council approval required
Over €150,000 / stg£105,500.....	NFMC approval required

Note that the above limits relate to the **cumulative** borrowing position of the unit, not merely to borrowings contemplated for a specific project or undertaking.

Any unit seeking to borrow over €150,000 / stg£105,500 is required to submit a formal application to the **County Committee** for approval. The sanctioned application is then required to be submitted to the **Provincial Council** for secondary approval before submission to the **NFMC**.

The required application form is attached. The application **must** be accompanied by the following, where applicable:

- Copy of the deed of trust vesting the property in the Association
- Business plan detailing proposed utilisation of the borrowings
- Financial statements of the unit for the previous 2 years
- Future cash flow projections for the unit
- Details of existing borrowings outstanding
- Bank confirmation of existing balances outstanding
- Letter of offer from the financial institution

A condition of NFMC consent will be a clause in the loan agreement authorising the bank to notify Central Council in the event of the loan falling into arrears or current accounts operating in ongoing surplus.



The letter of borrowing authorisation will, if relevant, explicitly authorise the trustees of the borrowing unit to mortgage or charge any or all of the real property of the unit as security. The letter of borrowing authorisation must not be construed as a guarantee from Central Council.

In recognition of the fact that this arrangement will foster good banking practice by GAA units the principal lending institutions have agreed to facilitate this policy and will not advance funds without the appropriate level of authorisation.

The unit will be notified in advance of the NFMC meeting which will consider the proposal. The decision of the NFMC, and the authorisation letter if applicable, will be notified to the unit in writing within 10 working days of the meeting, and copied to the county and provincial bodies involved.



**APPROVAL FORM
BORROWING FROM
A FINANCIAL INSTITUTION**

CASE REFERENCE

Page 1 of 2

CLUB/COUNTY DETAILS

1 CLUB/COUNTY NAME:	_____
2 ADDRESS:	_____ _____ _____
3 SECRETARY'S NAME:	_____
SECRETARY'S ADDRESS:	_____ _____ _____
CONTACT NUMBER:	_____

PROJECT DETAILS

4 PURPOSE OF BORROWINGS:	_____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____
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LEGAL DETAILS

5 CHARGE REQUIRED OVER PROPERTY?	_____
6 PROPERTY TRUSTEES:	_____ _____ _____ _____ _____
7 DATE OF VESTING DEED:	_____
8 LEGAL ADVISOR:	_____

SEE OVERLEAF



**APPROVAL FORM
BORROWING FROM
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CASE REFERENCE

Page 2 of 2

FINANCIAL DETAILS

9 TOTAL COST OF PROJECT:	_____
10 CURRENT CASH BALANCES:	_____
11 OTHER SOURCES OF FUNDS (€): (LOTTERY/SPORT NI ETC)	_____ _____
12 CURRENT BORROWINGS:	_____
	<u>Lending Institution:</u> _____
	<u>Loan Terms:</u> _____
13 NEW BORROWING REQUIREMENT:	_____
	<u>Lending Institution</u> _____
	<u>Loan Terms:</u> _____
14 TOTAL SUM OF BORROWINGS:	_____
15 SECURITY REQUIRED:	_____

APPROVAL DETAILS (Signature & Date)

16 CLUB SECRETARY	_____	_____
17 COUNTY BOARD	_____	_____
18 PROVINCIAL COUNCIL	_____	_____
19 NFMC	_____	_____

CHECKLIST: ITEMS THAT MUST ACCOMPANY THIS APPLICATION

1 COPY OF DEED OF TRUST VESTING CLUB PROPERTY	<input type="checkbox"/>
2 BUSINESS PLAN DETAILING UTILISATION OF FUND	<input type="checkbox"/>
3 BANK STATEMENTS FOR EXISTING LOANS & ACCOUNTS	<input type="checkbox"/>
4 FINANCIAL STATEMENTS OF THE UNIT	<input type="checkbox"/>
5 CONFIRMATION OF APPROVED GRANTS	<input type="checkbox"/>
5 FUTURE CASH FLOW PROJECTIONS FOR THE UNIT	<input type="checkbox"/>
6 COPY OF LOAN OFFER FROM THE BANK	<input type="checkbox"/>
7 CONFIRMATION FROM BANK - TRUSTEES SIGNING ONLY IN THEIR CAPACITY AS TRUSTEES AND NOT IN THEIR PERSONAL CAPACITY	<input type="checkbox"/>
8 MINUTES OF THE UNIT'S MEETING APPROVING THE BORROWING	<input type="checkbox"/>

**NOTE: IF YOUR BORROWINGS ARE FOR THE PURCHASE OF REAL
PROPERTY YOU ARE REQUIRED TO SUBMIT A SEPARATE
APPROVAL FOR AUTHORISATION TO PURCHASE**