

	Title: FINANCE POLICY	
	Version: 2	Approved: Committee of Governance April 2016
	Administered: Committee	Next Review: April 2019

Background The purpose of this document is to define and outline financial management and reporting arrangements throughout the organisation including protocols for dealing with financial issues as they arise. Network West is governed by a voluntary Committee of Governance that is responsible for the financial health of the organisation and accountable for the expenditure of all funds received from government or other agencies. The Committee therefore needs to ensure that there are appropriate systems in place for managing and reporting on all financial matters. This document provides an overview of those systems.

System / Item	Procedures / Standard	Responsibility
Budget	Annual budget to be prepared, and forecasts, updates and adjustments made on a monthly basis required. Original budget and all forecasts to be saved in order to track changes. The budgets presented to the Committee of Governance on a Quarterly basis.	Bookkeeper Networker
Expenditure Outside Budget	Management can approve any expenditure additional to budget up to a limit of \$ 500 per month, Expenditure over \$ 500 needs to be approved by the Committee of Governance Management.	Networker Committee of Governance
Reserves	The required amount to cover long service leave and holiday entitlements are paid into the long service leave account as per direction from annual audit. Reserves in excess of this can be used to acquire assets, do capital works, fund projects etc. The Committee of Governance needs to carefully consider the benefits of spending reserves in this way.	Networker Bookkeeper
Bank Accounts	A minimum of \$5,000 to be held in a term deposit account. Other reserves can be held in a cash management account where the funds are at call if required.	Networker Bookkeeper Committee of Governance
Internet Banking EFT	Where possible suppliers are paid by EFT. As per cheques two signatories are needed to verify the transaction.	Bookkeeper Networker Treasurer
Bank	Reconciled monthly.	Bookkeeper

System / Item	Procedures / Standard	Responsibility
reconciliation		
Petty Cash process and reconciliation	<p>Complete petty cash slip and attach receipt for each transaction. Ensure funds kept in a secure location.</p> <p>Petty cash should be balanced to the float amount.</p> <p>When petty cash gets below \$40.00 petty cash is reimbursed</p>	Staff
Profit and Loss Statement	<p>Profit and Loss and Year to Date Statements showing actual figures against budget and the variance, as well as notes to explain variance, to be prepared monthly.</p> <p>Summary Report including total income & expenditure, showing actual figures against budget and the variance, and projected variance to the end of the year, to be prepared for presentation to the Committee of Governance .</p>	Bookkeeper
Balance Sheet	Balance Sheet showing liabilities including staff entitlements to be prepared Monthly	Bookkeeper
Finance Sub-Committee	<p>Finance Sub-committee, including a minimum of the Chair person or Networker, the Treasurer and the Bookkeeper to meet half yearly to:</p> <ul style="list-style-type: none"> • Approve annual budget, any forecasts & the six month review; • Monitor monthly Profit and Loss and Year to Date Statements and Balance Sheets; • Approve any expenditure additional to budget which is over \$2000 and under \$5000; • Make recommendations to the Committee of Governance for expenditure additional to budget which is over \$5000. 	Finance Sub-Committee
Annual Reports	Procedure/ Standard	Responsibility
Annual Audit	Network West financial records are audited annually and audited report is presented to the committee for approval and then its members at the AGM. The auditor is chosen each year at the AGM.	Networker Bookkeeper
Asset Register	<p>All items purchased for more than \$100 will be recorded in the networks asset register. Items purchased for less than \$500 will be recorded as expenses in the years that they are purchased</p> <p>Items purchased for \$500 or greater will be treated as assets and depreciated over their useful life</p>	Networker Bookkeeper

Adopted by Committee of Management on 23/3/16