



POLICY

Drafted by	J. Briscoe	Approved by Board on	June 2018
Date Drafted	March 2018	Scheduled review date	June 2021

Financial Management

Purpose

To outline Valley FM's (VFM) Board code of conduct that specifies the corporate ethical, behavioural and practice obligations of VFM members who are elected by the membership to VFM's governing body, the VFM Board of Management.

Policy

VFM will maintain financial management and accounting systems that:

- Are transparent and accountable
- Allow budgeting and reporting on an accrual basis
- Meet applicable Australian Accounting Standards, and
- Are consistent with the financial reporting requirements of each funding contract and grants.

VFM shall maintain a Chart of Accounts that ensures a consistent reporting structure and that meets budget management needs and confirms with the National Australian Standard Chart of Accounts.

An annual itemised budget for the forthcoming financial year will be prepared by the Treasurer in consultation with the VFM Board, independent Book Keeper and presented by the Treasurer to the Board for consideration and ratification no later than the April Board meeting of the preceding financial year.

The budget will be developed based on analysis of the current and previous year's income and expenditure, taking into consideration any known changes to funding, and will include future projections for both known and unknown contingencies.

Funds surplus to day-to-day requirements will be invested in short-term high-interest deposits of three to six months as determined by the Board.

The Treasurer will ensure that all debts are settled in a timely manner and will not allow ordinary operating expenses to become undischarged debts beyond a thirty day period from the time they were incurred, unless extenuating circumstances exist.

Any projects undertaken by VFM will require a budget to be prepared showing anticipated expenditure and the source of the project's funding. This is to be submitted by the project leader to the Board for approval prior to the project's commencement.

The Treasurer and the Book Keeper are responsible for the preparation, and lodgement, of the quarterly BAS (Business Activity Statements) to the Australian Taxation Office (ATO).

The Treasurer will supply an updated financial statement to each Board meeting that will include:

- MYOB Profit and Loss for the month
- MYOB Profit and Loss year to date, and
- Balance sheet for the year to date.

Note: An extra report should be provided if any budgeted projects are being undertaken.

Valley FM Compliance Obligations

The Board is responsible for the development, implementation, operation and review of this policy. Compliance with the policy is also the responsibility of the Board's elected Treasurer and all Board Members.

Legislation Framework

N/A

References

Australian Charities and Not-for-profit Commission (ACNC). 2018. *Governance for Good* available @ [ACNC Governance for Good](#)

Share and Care Community Services Group. (2012). *Policies and Procedures Manual*.

Valley FM 9.5. (2018). *Board Roles and Responsibilities*. VFM Policy Manual 2018.