

P13 FINANCIAL MANAGEMENT POLICY



Leongatha Community House ensures its stability and viability using sound, open, ethical and accountable financial management practices.

Related Documents

- P01** Code of Ethics
- P12** Governance Policy
- P131** Financial Management Procedure
- P134** Sponsorship and Fundraising Procedure

This policy was adopted by the Committee of Governance at the meeting on 14 October 2024. It should be reviewed by October 2025.

BUDGETING

The **Committee of Governance** is responsible for overseeing the annual budget and for ensuring that Leongatha Community House operates within a responsible and sustainable financial framework.

In line with this responsibility, the **Committee of Governance** conducts a budget planning process each year as part of its annual business planning.

Budget forecasts must be flexible in responding to unforeseen events, including possible reductions in cash flow, and should therefore be regularly monitored and reviewed.

TREASURER

The **Treasurer**, on behalf of the **Committee of Governance**, is responsible for overseeing:

- Leongatha Community House's Financial management
- the maintenance of all records pertaining to Leongatha Community House's financial affairs
- that the financial processes of Leongatha Community House meet the appropriate accounting standards.

The Treasurer may delegate aspects of the role but remains accountable.

EXPENDITURE

We reimburse expenses incurred on behalf of Leongatha Community House so long as such expenses are reasonable and authorised.

Reimbursement of reasonable but unauthorised expenses may be made at the discretion of the Manager in exceptional circumstances.

Staff and volunteers incurring expenditure must, wherever possible, retain and produce receipts, invoices, vouchers, tickets or other evidence of expenditure.

ASSETS

We maintain a system of purchasing, recording and disposing of assets in line with good practice and funding guidelines.

All items of a physical nature costing over \$1000 and that have a useful life of more than one year are treated as capital expenditure and are documented.

Any decision to sell smaller value assets (e.g. where the depreciated value is less than \$1000) will be made by the Treasurer.

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INSURANCE

Leongatha Community House holds relevant insurances that protect staff, volunteers, committee members and equipment. Such cover includes public liability, loss or damage to property, and workers' compensation. Insurances are coordinated by the **Treasurer**, with the oversight of the **Committee of Governance**.

- Leongatha Community House carries full insurance, including public liability, and holds that insurance as a major priority to ensure that a safe and secure environment is provided for all.
- The public liability policy covers staff, volunteers and patrons. This is at no charge for community organisations.
- South Gippsland Shire Council has certain insurance requirements as part of our lease arrangement. Financial managers must be aware of these and ensure they are adhered to that we have adequate insurance to cover these requirements.
- Equipment and buildings are covered with fire, private theft and burglary insurance. This covers items owned by Leongatha Community House. The **Committee of Governance** is responsible for the review and update of insurance requirements.

FUNDING

Funding applications are the responsibility of operations and are passed by the Committee of Governance.

We keep timely records and ensure that reporting is completed in compliance with funding requirements.

REPORTING

Leongatha Community House's **Treasurer** maintains accurate and detailed records of income and expenditure on an ongoing basis. These records inform:

Profit and Loss Statements

The **Treasurer** prepares and tables a Profit and Loss Statement for each regular meeting of the Committee of Governance.

Annual Audit

An audit is conducted in time for each Annual General Meeting (AGM)

- The auditor for the following year is appointed at each AGM
- No auditor should be appointed more than three years in a row.