

**FINANCIAL SYSTEMS
AND MANAGEMENT
POLICY
2018-2020**



1. Purpose

This policy provides guidance to ensure that the finances of Tūtaki are managed competently.

2. Policy Scope

This policy applies to all staff who have responsibility for the financial operations of the organisation.

3. Policy Principles

3.1. Tūtaki is a charitable organisation and as such relies on grants and donations. Securing funding from fee for service, contracts and sponsorship will be a focus of Tūtaki as it strives to ensure sustainability and financial viability.

3.2. Finances are managed in a competent, transparent and professional manner to ensure the viability of Tūtaki.

3.3. Tūtaki shall not exclude any appropriate person or body from the opportunity to support the organisations aims through a financial or other gift, but as Tūtaki has a responsibility to operate within its own aims and values, it will negotiate or refuse such funding that is considered to detract from these aim and values.

4. Policy Statements

4.1. Financial Authority of the Manager

4.1.1. The Manager is responsible for managing the financial affairs of Tūtaki and reports to the Board of Trustees who monitor and govern these affairs.

4.1.2. The Manager has authority for expenditure within the budget approved by the Board of Trustees.

4.1.3. All other staff require approval by the Manager for expenditure.

4.2. Responsibility of the Board

4.2.1. The accounts of Tūtaki shall be reviewed once in each year prior to the Annual General Meeting by an accountant appointed by the Trust.

4.2.2. The reviewed Annual Financial Report shall be presented to the Annual General Meeting.

4.2.3. At each Board Meeting, Financial Reports shall be submitted for approval.

4.3. Annual Budget

4.3.1. An Annual Plan will be developed each year by the Manager that aligns with the 3 yearly Strategic Plan developed by the Board of Trustees. A budget will be prepared which covers all service provision, programmes and activities outlined in the Annual Plan.

4.3.2. The Budget will cover income and expenditure for the 12-month period beginning on the 1st day of July and concluding on the 30th day of June each year.

- 4.3.3. The budget shall be approved by the Trust no later than the Trust meeting prior to the start of the new financial year. The budget shall be broken down into monthly projections in order to prepare and monitor cash flows and for monthly reporting comparisons.

4.4. Bank Account and signatories

- 4.4.1. The Trust shall keep a bank account, and permit that it may be operated by any two of four authorised signatories.
- 4.4.2. Bank account signatories shall be the Chair of the Board of Trustees and two other person/s approved by the Board ie Trustees.
- 4.4.3. All income will be banked and where possible all expenditure (apart from petty cash) paid by Direct Credit or cheque.

4.5. Accounting Practices

- 4.5.1. All transactions of Tūtaki will be conducted and recorded in accordance with good accounting practices.
- 4.5.2. Tūtaki shall comply with Inland Revenue rules and cause accounting records to be kept that correctly record and explain the transactions and affairs of the organisation.
- 4.5.3. Appropriate accounting systems will be used so that accounts can be reconciled regularly and concisely, and reports created for review.

4.6. Payment for Goods and Services

- 4.6.1. Payment for products or services will be upon provision of a GST invoice.
- 4.6.2. The Manager and the Chair shall sign off on all accounts prior to payment each month.
- 4.6.3. No payments shall be authorised unless they are supported by invoices, vouchers, wage records or other appropriate documentation.
- 4.6.4. All payments will be authorised by any two out of four personnel authorised by the Trust as stated in clause 4.4.1.

4.7. Petty Cash

- 4.7.1. The level of petty cash is approved to a maximum of \$150. This is to cover miscellaneous items that do not warrant payment by direct debit or cheque and that are low in value.
- 4.7.2. Petty cash will be kept in a secure place with only the Manager having access.
- 4.7.3. Tūtaki staff requiring petty cash will request a voucher from the Administrator.

4.8. Credit Card

- 4.8.1. The Trust shall hold a Credit Card as required with a maximum value of \$3000.00. This is to cover miscellaneous items that require purchasing online or in situations where payment by direct debit or cheque is not available.
- 4.8.2. Credit Card purchases must be approved by the Manager.

4.8.3. The Manager and the Chair shall sign off on credit card statements prior to payment each month, in line with clause 4.6.2.

4.9. Invoicing

4.9.1. Invoicing for all accounts receivable will be completed regularly following correct procedures.