



Financial Management Policy

2016

1 Budgetary Control

1.1 Introduction

The Committee of Power House & St Kilda Hockey Club (PHSTK) is responsible for overseeing the budget of the organisation and for ensuring that the organisation operates within a responsible, sustainable financial framework.

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

The PHSTK financial year runs from 1 November to 31 October each year.

1.2 Purpose

This policy is designed to set out the process for preparing, reviewing and revising PHSTK's annual budget.

1.3 Policy

The Committee conducts a budget planning process each year as part of its annual business planning.

The organisation operates under a budget that must be flexible in responding to unforeseen events, including possible reductions in cash flow, and therefore be regularly monitored and reviewed.

1.4 Responsibilities

The Committee of PHSTK has ultimate responsibility for overseeing the budget of the organisation and for ensuring that the organisation operates within a responsible, sustainable financial framework.

It is the responsibility of the Treasurer to prepare and review all budgets in consultation with the President or other nominated Committee member(s) by agreement.

1.5 Procedures

1.5.1 Preparation of the Budget

Following the preparation of the PHSTK financial statements each year, the Treasurer starts preparing the budget estimates for the subsequent financial year. The process includes:

- a) Estimation of the following expenditure -
 - a. running of the club e.g. utilities, rent, insurance, maintenance,
 - b. fielding agreed number of teams e.g. registration fees, pitch hire, umpiring, and



- c. discretionary spending e.g. coaching, pitch hire for training, equipment.
- b) Estimation of fully recovered / profit making expenditure and revenue -
- c) Estimation of revenue from the following sources, including -
 - Interest on bank balances,
 - Government grants,
 - Donations, and
 - Membership fees.

The Treasurer will present the draft budget for discussion at a Committee meeting in February each year. The Committee should note its acceptance of the draft budget as presented or request amendments to be made.

The Treasurer will then finalise the budget which becomes budget for PHSTK for the financial year and all Committee members must work within the financial limits stated or implied by this document.

1.5.2 Monitoring the Budget

The Treasurer is responsible for monitoring the organisation's expenditure, reviewing the actual and budgeted expenditures, and reporting on the progress of such expenditure.

Financial reports will be prepared each quarter (or as otherwise requested) showing the year-to-date expenditure and its variation from the budget estimates, and indicating any increases or decreases in funding. A detailed commentary should be provided to the Committee detailing reasons for variations and recommendations for corrective action should that may be required.

1.5.3 Revising the Budget

The Treasurer will indicate what effect any variations will have on the budget projections and provide this information to the President and Committee. The Treasurer will also report on any other financial matters that may be related to PHSTK.

Once adopted by the Committee, the revised Budget will become the new budget for the remainder of that financial year.

2 Authority to Approve Expenditure

2.1 Introduction

An organisation without appropriate authority to approve expenditure may be vulnerable to fraud or error.

2.2 Purpose

This policy sets out procedures that must be followed to approve all payments (cheque and EFT) on behalf of PHSTK.

2.3 Policy

All cheques and EFT payments must be approved by a sufficient number of authorised delegates.



2.4 Responsibilities

It is the responsibility of the Treasurer to ensure that:

- a) The bank signatory list is kept current,
- b) The bank signatory list fully reflects the requirements of the PHSTK Constitution; and
- c) Bank EFT facility supports dual authorisation.

2.5 Procedures

2.5.1 Cheques

All cheques must contain two eligible signatures of authorised signatories (President, Secretary or Treasurer).

2.5.2 EFT

All EFT payments must be signed off by two authorised signatories (President, Secretary or Treasurer).

3 Fees

3.1 Introduction

An organisation reliant on membership fees should have a policy which clearly articulates the process by which fees are set, the requirements of members to pay fees and the impact of not paying fees.

Whilst Section 5 “Subscription and Levies” of the Constitution of Power House and St Kilda Districts Hockey Club (PHSTK) sets out the Club’s requirements in respect to membership fees, this Policy summarises the requirements.

3.2 Purpose

This policy sets out procedures that must be followed in respect to the setting of membership fees Power House and St Kilda Districts Hockey Club (PHSTK), the requirements of members to pay fees and the impact of not paying fees on membership status.

3.3 Policy

Membership fees must be calculated by the Treasurer and approved by the Committee of PHSTK.

Membership fees must be paid or payment plan approved by the Treasurer by 30 April each year.

Failure to pay membership fees or have an approved payment plan in place by 30 April each year may result in cancellation of membership and the right to access Club facilities and be eligible for selection in any of the Club’s teams.

3.4 Responsibilities

It is the responsibility of the Treasurer to:

- a) Calculate an appropriate annual membership fee for each class of Member,
- b) Propose the time and manner of payment, and



- c) Maintain records of payments made / payment plans in place.

It is the responsibility of the Committee of PHSTK to:

- a) Approve an annual membership fee for each class of Member, and
- b) Approve the time and manner of payment.

3.5 Procedures

3.5.1 Setting and approving membership fees

As part of the Club's budget setting process (refer Financial Management Policy #1), the Treasurer will determine the amount of revenue to be raised from membership fees to meet the financial requirements of the Club and estimates of the number of members in each class of membership.

As part of the budget approval process, the Treasurer will present proposed membership fees to the Committee in February each year for approval. Once approved, the membership fees for the year will be advised to members on the club website.

3.5.2 Setting the time and manner of payment

The time and manner of payment will be determined by the Treasurer to take into account the Club's cash flow requirements, availability of mechanisms to members to make payment e.g. EFT, EFTPOS, Club Shop via the Club website.

The time and manner of payment will be approved by the Committee at the time of approving the membership fees.

3.5.3 Failure to pay membership fees

A failure to pay membership fees or have a payment plan (approved by the Treasurer) in place by the due date may result in notification from the Club Secretary that membership has ceased.