

Financial Management Policy

INTRODUCTION MLI is committed to maintaining and achieving a financially sound and well managed organisation.

PURPOSE This Policy is designed to ensure that an appropriate system of financial management and internal controls are in place, complied with and maintained at MLI.

POLICY *Responsibilities*

The Treasurer of MLI shall oversee all financial matters for MLI, and present the financial reports to members.

However, day-to-day responsibilities may be delegated to the Executive Officer.

Cheque Signatories

All bank accounts shall require two signatories on any cheques issued or funds transferred electronically.

The opening of new bank accounts shall be approved by the Chair and Treasurer.

No blank cheques shall be signed in advance.

Accounting System

MLI shall use Xero to manage its accounts. At least two persons must have access to the system.

The Treasurer shall ensure that appropriate back up procedures are in place to protect the organisation's financial information.

Financial Delegation

A delegation of financial authorities must be in writing and approved by the Committee.

A person delegated to exercise a financial authority or responsibility cannot

further delegate his or her authority.

Financial delegations cannot approve their own personal expenditure.

In delegating authorities, the principle of segregation of duties should be observed, eg separating the functions of purchasing and approval of payment for the same purchase.

Capital Expenditure

Where the cost of an asset exceeds \$500, it must be capitalised (recorded as a long term asset) and depreciated over its useful life.

An Asset Register must be maintained for such assets, with the assets physically verified on an annual basis.

Employee Remuneration and Benefits

The remuneration and benefits of all employees shall be reviewed annually by the Committee.

Changes to the remuneration and benefits of staff must be approved by the Committee.

Auditors

The auditors shall be appointed by members based on the recommendation of the Committee.

Budget

The Treasurer shall ensure that annual budgets are prepared and presented to the Committee for approval.

Management Reporting

The Treasurer shall ensure that monthly management accounts and reports are prepared and presented to the Committee for review.

Insurance

The Treasurer shall ensure that the appropriate types and levels of insurance cover are in place at all times.

Regulatory Compliance

The Treasurer shall ensure timely compliance to all regulatory authorities, including the ATO, NSW Fair Trading, ASIC and ACNC.

Any failure or significant delay in compliance must be reported to the Committee.

Investments

All investment decisions shall be the responsibility of the Committee. However, the day-to-day management decisions of investments may be delegated to the Executive Officer.

Generally, capital funds shall be placed in low risk investments such as bank term deposits.

The Treasurer shall report progress of any investments held to the Committee on a regular basis (at least quarterly).

RESPONSIBILITIES It is the responsibility of the Treasurer of MLI to ensure that the requirements of this Policy are complied with.

AUTHORISATION:

This version was approved on:

This version takes effect on:

Authored by: Mrs Nicole Maher

Authorised by:

Chairperson signature:

MLi Financial Reporting Calendar

Organisation	Financial report required	Audit required?	Month due											
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Australian Charities and Not-for-profits Commission	Annual Information Statement	Yes												
Australian Charities and Not-for-profits Commission	Annual Financial Report	Yes												
Australian Taxation Office	Quarterly Activity Statements	-												
NSW Environmental Trust	Project grant financial reports	Yes												
Landcare NSW	Local Landcare Coordinator financial report	-												
Riverina Local Land Services	Local Landcare Coordinator financial report	-												
Australian Government	Regional Landcare Coordinator financial report	Yes												
Australian Taxation Office	PAYG payment summaries (individual - non-business)	-												
Australian Taxation Office	PAYG Payment Summary Annual Report	-												
Australian Taxation Office	Company Tax Return	-												
NSW Fair Trading	Financial Statements	Yes												
NSW Fair Trading	Annual Summary of Financial Affairs – Tier 1	Yes												