

Policy – financial management

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Policy statement

This policy provides guidance on the financial procedures of Swimming Canterbury and West Coast (SCWC). It sets out the manner in which the financial management of SCWC shall be conducted.

Good financial management is an essential part of good governance. The SCWC board has ultimate accountability for the financial management of SCWC and how financial resources are accounted for and effectively used.

Good governance involves reviewing financial information, effectively managing funds, implementing sound financial practices and understanding the financial position and obligations of SCWC.

This policy is to be read in conjunction with the SCWC constitution and must not be interpreted as restricting or limiting the powers provided for in the constitution.

Responsibilities

SCWC Board

SCWC must comply with legal requirements under the Incorporated Societies Act 1908. Where funding from grant organisations is received SCWC must manage these responsibilities according to the Act and in accordance with grant conditions.

SCWC shall formulate an annual budget and review operations and activities on a periodic basis. The budget shall be used to guide the activities of SCWC and when reviewing annual membership fees.

SCWC Board is responsible for ensuring expenditure is within budget, varying the budget to meet other expenditure requirements, authorising the SCWC Operations Manager to expend within the approved budget, arranging and presenting an audited financial report at the AGM.

SCWC Operations Manager

The SCWC Operations Manager shall ensure that true and fair accounts are kept of all SCWC assets and liabilities and of all money received and expended.

The SCWC Operations Manager shall provide information to draft the annual budget, prepare the annual report, arrange an external audit and ensure accurate records are maintained.

The Board of SCWC will take all required action to ensure this policy's effective implementation.

A handwritten signature in black ink, appearing to read "Wayne Rollinson".

Wayne Rollinson
Chairperson

A handwritten signature in blue ink, appearing to read "Chris Ponga".

Chris Ponga
Vice Chair

signed: April 2019

review: Oct 2021

Financial management

Reporting

The SCWC board shall receive accurate financial statements at every board meeting, including a:

- Profit and loss, cash flow statements and balance sheet;
- Budget versus actual report for the month and on a year to date basis;
- Listing of all major outstanding debtors and creditors;
- Listing of reconciled bank balances;
- Update on outstanding sponsorship contracts;
- Update on funds entrusted to SCWC for distribution to beneficiaries;
- Written report regarding any material variances to budget.

The SCWC Board must understand and take their responsibilities and duties on the board seriously, by ensuring they are able to comprehend and challenge financial information presented.

The SCWC Board shall ensure competent persons are engaged to handle and oversee the requirements of the financial matters of SCWC.

Board minutes, once approved, must be signed and dated by two persons either of the SCWC Board and / or the SCWC Operations Manager.

Financial practices

The following is necessary:

- Constitutional requirement for an annual financial report;
- Competent accounts management;
- An appropriate accounting system;
- The existence of approved bank accounts;
- Bank signing authority with a minimum of three registered signatories. Two signatories required, for all payments, and one signatory for fund transfers between SCWC accounts, at all times;
- Set reporting practices for the SCWC Board including finance as a standing agenda item;
- Maintenance of an up to date asset register and careful management of assets;
- Appointment of an external auditor, and an audit of the annual financial report. The auditor's report shall be discussed at a SCWC Board meeting and any identified issues actioned;
- The adoption of an annual budget.

Personal liability

No member of the SCWC Board, SCWC Operations Manager, coaches or any other person, shall enter into any transaction on behalf of SCWC without the documented authority of the SCWC Board.

The SCWC Board Members ensure they do not misuse or personally profit from their fiduciary position. The interests register is updated at each SCWC Board meeting, and is a standard item on the agenda.

Revenue

SCWC member and member club affiliation fees

All competitive and club swimmers, as defined by Swimming New Zealand (SNZ), must be registered with SNZ and SCWC and have paid their affiliation fees, before the swimmer can compete in a swimming competition.

SNZ and SCWC member affiliation fees are payable directly through the SNZ online my-page portal on the 1st July each year or when first registering as a competitive or club swimmer.

SNZ and SCWC member club affiliation fees are paid yearly directly through the SNZ online portal by each SCWC member club on the 1st July.

Unless otherwise stated all fees will be in New Zealand dollars and include goods and services tax.

On payment of registration and affiliation fees members and member clubs become affiliated members of SNZ and SCWC.

SNZ and SCWC review their affiliation fees annually prior to 1st July. Where timing of the review of SCWC fees differs and does not reflect new fees, actual fees payable will be confirmed at the time of payment.

Entry fees from swimming events

SCWC collects entry fees for SCWC-run swimming events. Affiliated members attending the swimming event pay entry fees directly online through the Swimming New Zealand web portal.

When an affiliated member cannot pay online, their club must manually enter the member and SCWC will invoice the event fees directly to the club.

Funding from grant organisations

Funding from grant organisations is applied for by the SCWC to be used to:

- Support regional swimming events;
- Support the SCWC administration function;
- Subsidise SCWC affiliated member travel or accommodation at out of region swimming events;
- Purchase swimming equipment for the betterment of SCWC affiliated members and clubs.

Donations

SCWC receives donations from the community, members and others who support swimming and the betterment of our affiliated members throughout the SCWC region.

Sponsorship from other organisations

SCWC reaches out to the community, local businesses and other organisations for sponsorship to:

- Support swimming events;

- Reduce costs to SCWC affiliated members travelling to swimming events;
- Enhance SCWC affiliated members' experience of a swimming event;
- Purchase swimming equipment for the betterment of SCWC affiliated members and clubs.

Fundraising and support by volunteers

The SCWC depends on volunteer support both financially and personally. Volunteer support is required from member clubs, SCWC members, parents, caregivers and others to:

- Help run swimming events by working in various roles to ensure a professional and safe event;
- Bring food items to the swimming events to feed the volunteers and officials during the event;
- Fulfil the duty club roster by providing the minimum number of volunteers for the club's allocated session at a regional event;
- Help during fundraising events to raise funds to reduce costs to SCWC affiliated members.

Any member receiving monies on behalf of SCWC, whether by cheque or cash, is responsible for handing such monies to the SCWC Operations Manager at the earliest possible opportunity.

Expenditure

Payments

All monthly expenditure must be reported to the Board on a monthly basis: it should be presented as part of the Financial Report, for approval.

SCWC Operations Manager has authority to incur and pay costs, on behalf of SCWC, on a day to day basis, where these costs have been accepted as part of that periods approved budget.

SCWC funds may be used to carry the risk for items or events where costs will be recouped, including upfront costs for events, fundraising or to secure transport or accommodation for SCWC affiliated members travelling to a swimming competition.

Proposed expenditure outside of approved budget and over one thousand dollars should be tabled at each SCWC Board meeting for approval. In case of emergency interim approval may be obtained directly via the chairperson.

The SCWC Board has delegated authority, to the SCWC Administrator, to spend up to five hundred dollars, on the credit card, for SCWC related business.

All significant expenditure must be put to tender or have more than one quote obtained to ensure SCWC is not paying more than fair market value for items purchased or services received.

Remuneration of the SCWC members

The SCWC Board do not receive any form of remuneration.

SCWC members shall be reimbursed for reasonable expenses while on SCWC business, where this has been approved by the SCWC Board (for approval criteria see payments section above). Any request for reimbursement must be accompanied by receipts or reimbursement will be declined.

Financial control

Disclosure of related parties

A 'SCWC Board interests register' shall be created at the first SCWC Board meeting following the AGM. The interests register shall include the SCWC Board member's business interests as related parties.

At the beginning of every SCWC Board meeting, each person shall confirm:

- If there are any changes to be made to the interests register;
- If there has been any potential conflict of interest since the last SCWC board meeting;
- If they need to declare any conflict of interest against any item on the meeting agenda.

If a related party is engaged by SCWC they will be engaged on a normal business basis. The SCWC Board or SCWC employee is not to be involved with or authorise any payment to any of their related parties.

Receipts

Under normal circumstances no refund or credit will be issued retrospectively for affiliation fees already paid. In exceptional circumstances and at the discretion of the SCWC Board a refund or credit may be allowed.

Refunds or credit of entry fees depend on the entry criteria for that particular swimming event.

Wherever possible cash received is counted in the presence of two people and a summary of the cash counted is signed and dated by those present.

All cash received by SCWC shall be receipted and then subsequently banked as soon as reasonably practicable, but at most within 10 days of receipt.

Grants or funding received are compared to grants or funding applied for by the SCWC Board. SCWC will comply with the accountability requirements of the funding provider.

Budget and cash flow

An annual budget must be prepared by the SCWC Operations Manager, and approved by the SCWC Board, in advance of each new financial year. Actual revenue and expenditure shall be compared to budget and any variances explained.

Cash flow forecasting must be part of the budget prepared by the SCWC Board, so that the SCWC Board can anticipate any dip in revenue and plan around it.

The SCWC board shall consider the implications on cash flow of any large expenditure prior to committing to the expenditure.

Funding from grant organisations and sponsorship

Funding and sponsorship applications applied for by the Board must be approved by the SCWC Board.

Funding and sponsorship applications accepted or declined, are acknowledged by a signed thank you letter from the SCWC Board and this is addressed to the trustees of the specific organisation.

Funding and sponsorship received by SCWC, is acknowledged with a signed thank you letter from the SCWC board at the conclusion of the funding period, addressed to the specific organisation trustees.

Expenditure

Regular reporting and sharing of documentation by the SCWC Operations Manager to the SCWC board ensures the minimisation of the opportunity for misappropriation of funds or fraud.

Accounts are presented to the SCWC Board for review at every board meeting, to ensure financial matters are proceeding as expected and budgeted for, and to identify any significant issues.

Risk awareness

SCWC Board reviews insurance and liabilities annually.

A risk register shall be established to document identified risks in the following areas:

- Financial;
- Operational;
- Other.

At the beginning of every SCWC Board meeting the risk register shall be updated for any new risks identified and controls to be put in place.

Ethical culture

SCWC Board maintains a culture of ethical and honest behaviour. It abides by the SNZ and the SCWC code of conduct. All policies including code of conduct are reviewed every second year or more frequently if required.

Audit

SCWC financial records are audited by an external auditor annually ensuring the financial statements are a correct record of the financial position. An audit report is made available at the AGM.

Information

For further information on financial management of SCWC please talk to the SCWC Board or the SCWC Operations Manager.

References

Sport New Zealand (2018). *Managing sport guide – financial management for clubs*. Retrieved from <https://sportnz.org.nz/managing-sport/search-for-a-resource/guides/financial-management>

Australian Sports Commission SPORTAUS AIS (2008). *Club development: governance – financial management*. Retrieved from https://www.ausport.gov.au/supporting/clubs/governance/risk_management