

# **FREMANTLE ROWING CLUB**

## **FINANCIAL MANGEMENT**

# ROLES OF MANAGEMENT COMMITTEE, TREASURER AND MEMBERS

## ROLE OF COMMITTEE

The financial management of the Fremantle Rowing Club is the responsibility of the Management Committee. This document is to be read in conjunction with the Powers of Committee as detailed in Section 12.2 of the Club Constitution.

The Committee acts within these Rules in order to comply with legal requirements under the *Associations Incorporation Act 1987*. The Club must meet these obligations to ensure that individuals are protected by its safe guards for personal liability. In addition to receive funding from grant organisations from time to time the Club must also manage these responsibilities according to the Act.

The Committee is responsible for the preparation of an annual budget, monitoring expenditure to ensure expenditure is within budget limits, varying the budget to meet new or varied expenditure requirements, authorising the treasurer to expend funds within approved budget limits, authorising the treasurer to expend funds at the treasurer's discretion within delegated limits, arranging for and presenting an annual audit at the AGM.

## ROLE OF TREASURER

The role of the Treasurer is as specified in Section 12.6 of the Constitution: The Treasurer is responsible for monitoring the financial operations of Fremantle Rowing Club within the approved budget.

The Treasurer;

- has the authority to expend funds and authorize expenditure within his/her delegated limits without committee approval.
- is responsible for maintaining the books of account, for processing all receipts and payments, participating as a committee member in the preparation of the annual budget, for preparing monthly and annual financial reports to the committee.
- will present a monthly report to the committee detailing income and expenditure for the previous month, making available bank statements for that month should the committee request such.
- will present a budget based annual report to the Committee detailing income and expenditure for the previous year, provide bank statements for that year including amounts owed and interest paid on borrowed funds.
- is responsible for ensuring receipt of goods and services purchased.
- may delegate this responsibility to a club member at the Treasurer's discretion.

# BUDGETARY PROCESSES

## BUDGET

The Committee, with the assistance of the treasurer, will prepare an annual budget based on the income streams and expenditure categories within 60 days of the Club's financial year\*. Funds must be set aside to meet expense commitments that will be due beyond the current financial year and this should be shown in the budget.

The budget will be approved by the Management Committee prior to the first month of the financial year.

\*The Club's financial year as per Section 2 of the constitution is currently 1 November to 31 October of the following calendar year.

## INCOME

The treasurer will determine the appropriate account to deposit funds in the absence of prior advice by the committee.

## FUNDS MANAGEMENT

### EXPENTITURE

- A quote must be obtained for each purchase of a service over a \$1000.00. A quote must be obtained for each purchase of equipment over a \$5000.00.
- Receipts will be provided to payees for Club membership subscriptions.
- Receipts for other transactions will be provided on request.

### CASH

No cash shall be kept on the premises.

### MEMBERS RESPONSIBILITIES

Any member or coach receiving monies (e.g., cheques, subscriptions, cash, direct payment details) is responsible for handing such monies to the treasurer at the earliest opportunity.

## RECONCILIATIONS REPORTS

### MONTHLY RECONCILIATIONS REPORTS

The following reconciliations are completed at the end of each month by the Treasurer:

- The operating/cheque account is reconciled.

These to be advised to the committee

## END OF YEAR RECONCILIATIONS

The following reconciliations are completed at the end of each financial year:

- Books of accounts are balanced and closed off
- All Payments are reconciled
- Audit reports are prepared for presentation to the Annual General Meeting.

The Committee with the assistance of the Treasurer is responsible for the above to be completed.

## ANNUAL AUDIT

An annual audit is undertaken each year by a qualified auditor appointed as specified in the Constitution (Section 20.0).

The original audit report is provided to the Treasurer for review.

The Treasurer presents the audited report for the previous financial year to the Annual General Meeting.

A copy of the audit is forwarded to funding providers if requested.

## FINANCIAL MANAGEMENT RULES SUMMARY

### DELEGATIONS OF FINANCIAL AUTHORITY

The following table summarises the delegations of financial authority within Fremantle Rowing Club.

<b>Area</b>	<b>Management Committee Authority</b>	<b>Treasurer Authority</b>
Recurrent Operating Expenditure	Approval of annual operating budget and variations to budget.	Expenditure within annual operating budget. No single item greater than \$5,000.00 or a supply exceeding 12 months without minuted approval of the Management Committee.
Capital Expenditure	As per budget  If an un-budgeted purchase is proposed for an amount greater than \$30,000.00 approval of a Special or Annual General Meeting of the Club is required.  If an un-budgeted purchase is proposed for an amount less than \$30,000.00 approval by Committee is required	As per budget  As per resolution of SGM or AGM
Lease arrangements including Hall (currently Tai Chi leased)	Specific minuted approval at a Management Committee meeting is required, including lease variation. Rent review will be required every 12 months (minimum) upon expiration of the current lease.	Any arrears to be advised to Committee
Employment of External Contractors or Consultants	As per budget  If an un-budgeted purchase is proposed for an amount greater than \$30,000.00 approval of a Special or Annual General Meeting of the Club is required.  If an un-budgeted purchase is proposed for an amount less than \$30,000.00 approval by Committee is required	In line with budget or minuted approval of Management Committee. To be subject to a scope of works in each case prior to authorisation of expense

<b>Area</b>	<b>Management Committee Authority</b>	<b>Treasurer Authority</b>
Incurring Debt	<p>As per budget</p> <p>If an un-budgeted debt is proposed for an amount greater than \$30,000.00 approval of a Special or Annual General Meeting of the Club is required</p> <p>If an un-budgeted debt is proposed for an amount less than \$30,000.00 approval by Committee is required at all times.</p>	In line with budget or minuted approval of Management Committee.
National, International regatta and travel expense approval	<p>If not in budget, specific approval required at a committee meeting. Where the amount is greater than \$5,000.00 membership approval at a Special General Meeting or Annual General Meeting is required.</p>	In line with budget or minuted approval of Management Committee.
Investments	<p>If an investment is proposed for an amount greater than \$30,000.00 approval of a Special or Annual General Meeting of the Club is required</p> <p>If an investment is proposed for an amount less than \$30,000.00 approval by Committee is required at all times.</p>	
Qualified External Auditors	To be approved by the Committee and appointed as per (20.00+ AGM)	Provide financial records as required to the approved External Auditor
Fees	Set fee levels and policy for exemptions and reductions	Collection of fees and approval for exemptions and reductions as per policy.
Funding Agreements	All agreements to be approved by Management Committee.	Acquittal as per conditions of funding
Insurances	Approval of policies and alterations to policies.	Renewal of policies.