



**WOODGROUP SA INC
POLICY/PROCEDURES
FINANCES**

www.woodgroupsa.org.au

BACKGROUND

Woodgroup SA Inc operates as a Board and to manage day to day finances has under its control:

- a) a Treasurer, appointed by the Board, post its Annual General Meeting, who is responsible for operating the financial accounts of the Association.
- b) an Executive Committee. This committee does not have decision making powers that enables them to set policy or determine budgets. They offer day to day management support to the Board. The Executive committee has the power to appoint sub committees as it sees fit to assist for specific purposes.

As the Board meets infrequently there is a need for policies, procedures and controls to be implemented so that those with the authority to operate and report on the Association's accounts have the flexibility to do so without constantly referring back to the Board at the same time offering the Board the necessary controls to fulfill its financial obligations and responsibilities.

POLICY GUIDELINES/PROCEDURES

1. Woodgroup SA Inc elects not to register as a respondent to the Goods & Services Tax Legislation.
2. Where it determines appropriate Woodgroup SA Inc may elect to apply for and hold an Australian Business Number.
3. It is the policy of the Board that while the Association is below the income threshold of a "Prescribed Association" within the Associations Incorporation Act 1985, currently set at \$500,000, it should not seek an audit by an appropriate practicing certified accountant.
4. The Board has determined that Woodgroup SA Inc should maintain exemption from Section 55 of the Incorporations Act thus allowing it to return pecuniary benefit to its members.
5. The Treasurer – Rules of Conduct. Is expected to work within the Rules and By Laws of the Association, the Associations Incorporation Act and simple book keeping practices in managing and reporting on the finances of the Association. The Treasurer is expected to keep accurate records that appropriately explain all financial transactions of the Board.

The Treasurer is:

- 5.1 In conjunction with the Finance Sub Committee, to cast a budget for the following year.
 - 5.1.1 Such a budget will be formally presented to and adopted by the Board by 31st May each year so that it can determine membership fees for its members and accordingly advise these by the 30th June.
- 5.2 Authorized to pay all accounts of the Association and manage the finances within budget line estimates approved by the Board.
- 5.3 To ensure
 - 5.3.1 any expenditure not budgeted for or outside of budget line estimates is to be referred to the Finance Sub committee for approval.
 - 5.3.2 all accounts shall be paid promptly
 - 5.3.3 all monies received shall be deposited in approved Woodgroup SA accounts as soon as is practicable.
 - 5.3.4 all invoices for monies owing to the Association shall be issued promptly and within timelines inherent in the rules of the association
 - 5.3.5 that in accordance with the By Laws all signatories to the financial accounts are approved by the Board and that two of these are used at all times to operate such accounts.

- 5.4 To prepare a statement of income and expenditure and a reconciliation of accounts and present them to the Finance sub committee.
 - 5.4.1 Financial statements should be detailed so that they explain year to date against budget line estimates for both income and expenditure and.
 - 5.4.2 A copy of the statements shall be forwarded to the Executive Committee for their information and use in managing budget lines under their control.
- 5.5 Shall prepare annual accounts for presentation to the membership at each Annual General Meeting.

FINANCE SUB COMMITTEE

The Executive Committee will assume the mantel of Finance Committee.

Nov 2010