

Guidelines For Financial Management

Monthly Accounts

Each month the Parent and Citizens Association (P&C) and its sub-committees are to provide to the general meeting of the P&C, an income and expenditure statement with a reconciled back statement. An example of the format is given below.

Income and Expenditure Statement for April 2003

Income	Fees	100	
	Donations	200	
	Sales	600	
	Total		900
Less Expenses	Advertising	100	
	Repairs	50	
	Purchases	200	
	Total		<u>350</u>
Surplus (Deficit)			550
Plus Opening Balance Bank a/c			<u>750</u>
BALANCE			1300*

Bank Reconciliation

Closing Balance per bank statement	1500
Add Unpresented deposits	0
Less Unpresented cheques	<u>200</u>
BALNCE	1300*

*These amounts should balance

Annual Accounts

Each year the P&C and its sub-committees are to provide to the AGM, the full audited income and expenditure statement for the year, with a reconciled bank statement. The format will be the same as for the monthly accounts (refer above).

Audit of Accounts

Sub-committee accounts are to be provided to the P&C Treasurer at the end of each academic year. All annual accounts and supporting documents are to be submitted to the auditor by the P&C Treasurer, so that they may be audited prior to being presented to the AGM. A copy of the audited accounts is submitted to the P&C Federation following the AGM.

Approval of Expenditure

- Funds of the association may only be expended by the majority decision of a general meeting. A meeting may delegate authority to expend funds to a sub-committee or to a member.
- Sub-committees with delegated authority must only incur expenditure that is consistent with its principal purpose as set out in its governing documents.
- Expenditure may only be incurred if there are sufficient funds for its payment.
- The authority to draw cheques must ensure that 2 signatories are required. The principal of the school may not be a signatory on P&C accounts.

Administration of Accounts

- Funds of the P&C should be receipted and deposited within 2 business days (where feasible).
- When counting money from fund raising, do not count funds alone but ensure at least one other person is present to verify accuracy.
- Do not incur expenditure that has not been presented to a general meeting for approval or that are outside the delegations given to the sub-committees.
- The P&Cs ABN (86932544140) should be used for all financial activities undertaken by the P&C.

Purchases for the School

To purchase equipment/resources for the school the P&C should ask the school to order and pay for the item. The P&C then reimburses the school the cost of the item less GST (where GST is refundable to the school). The school cannot purchase items on behalf of the P&C that are for fundraising or for sale.

Salaries

Honorariums are not recommended if it does not strictly relate to payment for out-of-pocket expenses.

Insurance

Affiliation with the P&C Federation offers \$5 million public liability cover. It does not cover Voluntary Workers Insurance, Cash and Other Losses Insurance, Special Building Insurance (where volunteers undertake a building project on behalf of the P&C) and Workers Compensation.

Goods and Services Tax (GST)

A P&C must register for GST if turnover is more than \$100,000. Turnover is calculated excluding canteen and fund raising monies.

Canteen and fund raising are considered 'input taxed' (i.e. we pay GST on acquisition and do not seek a refund). For this reason it is excluded from the calculation of turnover.