

Financial Management Policy

It is the Policy of St Chads Communication Centre Trust to provide a framework for the banking, borrowing and investment requirements of St Chads Communication Centre (St Chads), which maintains the flow of essential finance to operations and for capital investment, in a manner that manages the risks inherent in these activities.

We will do this by:

1. ensuring all monies received are properly banked into St Chads authorised bank accounts.
2. maintain liquidity levels and managing cash flows within St Chads to meet known and reasonable unforeseen funding requirements
3. maintain a cash flow balance equivalent to at least three months of operating costs
4. invest funds with due care, diligence and skill to ensure financial protection of St Chads
5. recognize, identify and manage financial risks through timely financial reports

This Policy is for the benefit of the Board of Trustees.

The General Manager together with the Board Chairperson is responsible for ensuring this Policy is adhered to and any non-compliance with this Policy may be included in performance and appraisal processes at the discretion of the Board Chairperson

Guidelines

1. The Board of Trustees of St Chads (Trustees) has ultimate responsibility for ensuring that St Chads has an effective policy for the management of its risks. In this respect the Trustees decide the level and nature of risks which are acceptable to St Chads given its underlying objectives
2. The General Manager is responsible for the day to day financial management of the organisation and shall carry out this duty in a manner, which shall in no way threaten St Chads' financial strength.
3. To ensure the financial affairs are managed on a prudent basis, the General Manager shall not:
 - 1 Cause St Chads to incur unauthorised indebtedness
 - 2 Utilise any organisational funds for purposes other than the furtherance of St Chads purposes and priorities as approved by the Trustees
 - 3 Allow ordinary operating expenses to become un-discharged debts beyond a three-month period when incurred
 - 4 Use restricted or tagged contributions for any purposes other than those designated
 - 5 Operate within a financial environment that is not broadly defined by an approved budget and which is not supported by St Chads policies
 - 6 Approve expenditure which, although in keeping with St Chads policies and/or strategic direction, is beyond St Chads ability to meet using budgeted resources.
4. The General Manager shall review the work of the Financial Administrator monthly, evidencing this by signing reconciliations and reporting to the Board on any concerns

Financial Delegated Authorities

Authorised Signatory Designation	Method of Signing	Authority (a)	Transfer (b)	Payments (Cheque and Online)	Other Services (d)	Expenditure Authority
Chair	Jointly with General Manager	×	×	×	×	Budgeted from \$15,000 Unbudgeted from \$5,000 Wages from \$20,000
Deputy Chair or Trustee	Jointly with General Manager	×	×	×	×	Budgeted from \$15,000 Unbudgeted from \$5,000 Wages from \$20,000
General Manager	Jointly with either Chair or Trustee	×	×	×	×	Budgeted from \$15,000 Unbudgeted from \$5,000 Wages from \$20,000
General Manager	Jointly with Financial Administrator	×	×	×	×	Budgeted up to \$15,000 Unbudgeted up to \$5,000 Wages up to \$20,000
Financial Administrator	Jointly with General Manager		×	×		Budgeted up to \$15,000 Unbudgeted up to \$5,000 Wages up to \$20,000

- (a) Authority: St Chads authorises the Bank to accept or act on any new authority or amendment to an existing Authority if signed by all persons named
- (b) Transfer Funds: Where the function is available, transfer funds between any of the St Chads accounts. Daily limit is \$100,000. Over this limit should have Trustees' formal approval
- (c) Payments:
- (i) Debit to any of the St Chads accounts (whether in credit or not) payment orders (excluding fund transfers on (b) above);
 - (ii) Act upon any request to deal with any property which the Bank may at any time hold on behalf of St Chads;
 - (iii) Direct Credits (single item) over \$5,000 on expenditure not budgeted must have the Chair or a Trustee as one of the signatories
 - (iv) General Manager must not authorise payments to him/her.
- (d) Other Services: Accept or act on any documents for loans, finance facilities or any other banking services not referred to in (b), or (c);
- (e) Expenditure limits exclude GST and PAYE Payments

Investment Guidelines

- From time to time St Chads holds funds surplus to operational cashflow needs. Unless funds are being accumulated for a specific purpose, it should be assumed that the investment timeframe is short or within the 12-month period. Furthermore, St Chads risk profile is low on the basis that capital preservation is paramount.

- With a short timeframe and a low risk profile, St Chads will not commit to investment in private or public equities, offshore investments, and foreign exchange risk. Care and research is required with fixed interest investments in capital notes and debentures.
- Surplus funds should be invested in Bank term deposits and secured government stock. If a higher rate of return is being sought from finance company debentures, due regard is to be paid to credit rating and bond watch ratings.
- In the *event* that St Chads is required to accumulate funds *over* a two plus year timeframe, advice should be sought from a registered financial planner to maximise returns, bearing in mind St Chads' low risk profile.
- This guideline should be read in conjunction with the **Investment Policy**.
- Any investment should follow the Financial Delegated Authorities of this Policy as required.

Document Control Parameters:

The provisions of this Policy supersede and replace all previous financial management policies, procedures and guidelines.

Policy Review

This policy is to be formally reviewed on an annual basis. Next Review will be February 2022

Date Ratified: October 2013	Date Reviewed: Feb 2021	Next Review: Feb 2022
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