



## **FINANCE POLICY**

This Policy/Procedure applies to members of the Management committee (Executive) and Sub-Committee members who may receive, expend, and/or receipt funds on behalf of Cairns & District Kart Racing club Inc.

### **Procedures**

#### ***Receipting***

1. Proper records and accounts must be kept and maintained by the association that correctly reflect the financial affairs of the association.
2. The Treasurer of the association will at all times:
  - Enter receipts and payments promptly to ensure the cashbook reflects an up-to-date financial position.
  - Keep separate cashbooks or sections for receipts and payments.
  - If the cashbook is not electronic, make all entries in ink.
  - Ensure corrections are made by ruling through the incorrect entries and initialling the correction, not by using correction fluid or by overwriting entries.
  - For GST-registered associations, recognise the GST component of a transaction in a separate GST column.
3. Before close of business for the day, the Secretary, or Management Committee Member will notify the Treasurer that a receipt or receipts have been issued and the Treasurer will make arrangements for collecting the money received for prompt banking.
4. The same processes will apply to any other Club Official (Management Committee Member) receiving and receipting money collected on behalf of the Association.

#### ***Banking***

1. All money must be securely stored.
2. All banking must be done promptly, and cash should be banked on the day of collection or the next working day.
3. Deposit books must be used for each account and a copy of the processed deposit slip be retained for record purposes.
4. To minimise risk, persons should not make known to others that they are carrying a large amount of money when taking the deposit to the financial institution. Conditions of insurance over money in transit to the financial institution are to be considered and followed.
5. The Treasurer must ensure that records are sufficiently detailed to allow the identification of sources of income and the timing of banking.

#### ***Electronic Funds Transfer (EFT)***

1. All EFT transactions are to be authorised by any two account signatories by entering: of a user name and password, or a user name and the randomly generated pin if using a security token (highly recommended if the financial institution offers this level of security).
2. The two account signatories are to sight, check and approve all documentation before an EFT transfer is authorised.

3. A confirmation email or screen receipt which is generated by the financial institution following the entry of an EFT transaction must be filed for audit purposes.
4. A printed record of any transaction deleted or edited must be made and filed for audit purposes.
5. A receipt/record of all electronic fund transfers for each payment must be printed and attached to the relevant document (invoice) and filed for audit purposes.

### ***Credit Cards, Debit Cards and EFTPOS***

The association may offer members the convenience of paying by credit card and/or EFTPOS. These payment facilities will generally attract a transaction charge which may differ according to the type of card accepted and the type of transaction. The association must obtain details from the financial institution on transaction charges and operating procedures. The association should include a rigorous analysis of the risks around the proposed technologies, particularly in terms of the security of the service provider and who bears the risk if transactions go wrong. When recording entries in the cashbook, receipts made by credit or debit cards must be treated the same as cash. Transaction charges for credit or debit cards will be charged to the association's account and must be entered as an expense in the cashbook when the monthly account statement is received.

***Merchant charges are to be met by the association as a cost of business and cannot be passed on to members.***

The review date of this document will be 13<sup>th</sup> November 2016 Club AGM Meeting unless the Management Committee determines that it is necessary to do so earlier

**Approved – CLUB AGM MEETING - Date– 15/11/2015**