

Montessori Aotearoa New Zealand Finance Policy / Kaupapa Here Pūtea

The purpose of this policy is to ensure that the association follows clear and proper robust financial and accounting practices and procedures that will ensure:

- Financial information is reliable and complete, so that the Council can depend on accurate information to make decisions.
- Assets and records of the organisation are not stolen, misused, or accidentally destroyed.
- Statutory requirements are met.

Financial procedures and accounting processes are the responsibility of the MANZ Council. As per the Association's Constitution the Council has delegated to the Chief Executive / Kaiwhakahaere matua the duties and functions of Secretary and Treasurer of the Association. The Chief Executive may in turn delegate some or all of these functions within the authority given to her/him by the Council.

Planning / Mahere

A draft annual budget is developed by the Kaiwhakahaere matua and presented to the Council for approval. This will be completed before the end of the preceding financial year. The budget shall reflect the Council's strategic objectives and not risk financial jeopardy or fail to show a generally acceptable level of foresight. Thus the budget shall:

- Support MANZ Strategic and Annual Plans.
- Forecast the revenue and expenditure (both operational and capital) required to achieve the planned activities.
- Ensure adequate working capital.
- Demonstrate an appropriate degree of conservatism in all estimates.
- Include any recommended annual subscription changes.

The annual budget will be monitored on a regular basis to ensure that proposed income and expenditure is still appropriate.

Reporting | Pūrongo

The Kaiwhakahaere matua is required to present a quarterly report to the Council with analysis of actual versus budget variance and with unexpected variations being reported on.

The Kaiwhakahaere matua will ensure that Financial Statements are prepared on an annual basis, in accordance with *New Zealand Generally Accepted Accounting Practice*, and in a timely manner for presentation to the Council. The Council will appoint a member of The New Zealand Institute of Chartered Accountants to complete an annual review.

Once accounts are reviewed they are lodged each year with the Charities Commission online.

Internal Control | Whakahaere tikanga pūtea

It is the responsibility of the Council to ensure all necessary financial controls are in place, while it is the responsibility of the Kaiwhakahaere matua for the management and control of finances.

It is the responsibility of the MANZ Treasurer to ensure that all funds paid are appropriately categorised against the budget and that proper payment processes are carried out. At least quarterly, the treasurer will do this through their access to the accounting software online, internet banking and work with the *Kaiwhakahaere matua* and *Accounts and Administration Officer*.

Spending Funds | whakapau pūtea

The Kaiwhakahaere matua has the authority to spend funds directly and by delegation as allocated by the budget. The Kaiwhakahaere matua shall, wherever possible, purchase on account and at the best possible rate. Alternative pricing should be sought and documented where possible.

Any extraordinary expenditure or anticipated over expenditure in the major budgetary expense categories must have prior Council approval. Clear explanations will be required for any over expenditure.

Income | Whiwhinga pūtea

All amounts due to the association are to be promptly and regularly invoiced.

All cash and cheques received are to be promptly deposited, properly recorded and reconciled.

If an individual or member school fails to make payment of MANZ invoices the following process will be followed:

1. Monthly statements to follow up outstanding amounts are to be prepared and issued the first week of the month following invoice not being paid.
2. A verbal phone reminder that payment is overdue will be made the second week of the

- first overdue month by the Accounts and Administration Officer.
3. If no payment is made by the 20th of the month following the due date a second phone call will be made and a second reminder statement sent.
 4. This will be followed by reminder fortnightly phone calls from Accounts and Administration Officer and emails/statements for the third month.
 5. After three months overdue, the debtor will be advised that the non payment will be put in the hands of a debt collector. MANZ Council will be advised of this action.

Expenses | Utu whakahaere

All accounts for payment will be presented in a timely manner for approval with a completed payment authorisation form and supported by an invoice or receipt. All payroll disbursements are to be properly recorded and all related legal requirements are to be complied.

All accounts are to be approved by the Kaiwhakahaere matua, Treasurer and/or other designated approver ratified by the Council.

Accounts invoiced in the current month will be paid the 20th of the following month. Signatories, as authorised by the Council, will appear on payments, with two authorised signatories captured electronically through internet banking.

Invoices are checked by the Accounts and Administration Officer for receipt of goods and services prior to being included for payment in the accounting package. These invoices are then checked again by the Kaiwhakahaere matua or Treasurer when payment is authorised.

Special Projects | Whakatakanga motuhake

MANZ Council will ask for approval from the membership for any expenses over \$25,000 related to any special projects.

Cash Reserves | Pūtea tāpui

The general cash reserves need to be maintained to ensure that there is a year's reserve for MANZ employee wages and salaries.

Bank Accounts | Pēke pūtea

Bank accounts are to be reconciled within the accounting package where the bank link has been incorporated, with any unidentified amounts cleared in a timely manner.

Assets | Rironga

Assets will be capitalised if their purchase value exceeds \$500 and have an economic life exceeding 12 months.

All assets are to be adequately safeguarded, and properly recorded within the accounting software.

Investment of Funds | Pūtea mahi haumi

If at any such time surplus funds arise, the Executive Officer will ensure that:

- Surplus funds will be safely and promptly invested.
- Best interest return opportunities will be sought on these investments.
- Any investment will be made with the security of the funds as the top priority.

Records | Mauhanga

The Kaiwhakahaere matua, in conjunction with the Accounts and Administration Officer are responsible for the safe custody of all records and regular backup of financial data.

All hard copy records are to be kept for seven years. Kaiwhakahaere matua will advise the Council as to records being destroyed.

All financial data will be regularly maintained by the Kaiwhakahaere matua in a suitable electronic package.