



FINANCIAL ACCOUNTABILITY POLICY

September 2013

Rationale:

To ensure the Association and Centres accountable to the government and other funding agencies for funding received.

Purpose:

Playcentre will use funding received from the Ministry of Education and other funding agencies for the express purpose for which it is granted and will meet all accountability requirements of the government and other funding agencies.

Procedures:

Association

1. The responsibility for financial management in the Association rests with the whole Association and is not the responsibility of the Association Treasurer alone.
2. The Association is responsible for establishing financial policies, procedures and guidelines that promote best financial management practice.
3. The Association Treasurer's primary responsibility is to assist the Accounts Administrator to keep accurate accounting records of the financial affairs of the Association in accordance with the responsibilities and tasks as detailed in their job description, the Association's financial policies, procedures and guidelines, and the New Zealand Playcentre Federation's "Guidelines for Association Treasurers", outside agencies, IRD, charity commission, new reporting stands.
4. The Association Treasurer maintains an accounting system in accordance with the needs of the Association and The Sub-committees and Centres.
5. The Association Treasurer prepares regular financial reports with the assistance of the Accounts Administrator for presentation and approval at Management Team and Association meetings.
6. The Association Treasurer prepares an annual budget consistent with the Association's Annual Plan for presentation and approval at the Association Annual General Meeting.
7. The Association Treasurer also prepares monthly budget comparison reports with assistance from the Accounts Administrator for presentation and approval at Management Team and Association meetings.
8. The Association Treasurer prepares annual financial statements in accordance with generally accepted accounting practices (GAAP) and the reporting requirements of the Ministry of Education, for presentation and approval at the Association Annual General Meeting.
9. The annual financial statements are audited by an independent chartered accountant being a member of the New Zealand Institute of Chartered Accountants (NZICA).
10. Copies of the audited financial statements are provided to the New Zealand Playcentre Federation, the Ministry of Education, the Charity Commissions, other government agencies, and other funding agencies as required to meet statutory and financial accountability requirements.

Association Sub-Committees and Centres

11. The responsibility for financial management in Sub-Committees/Centres rests with the whole Sub-Committee/Centre and is not the responsibility of the Sub-Committee/Centre Treasurer alone.
12. The Sub-Committee/Centre is responsible for establishing financial policies, procedures and guidelines that promote best financial management practice.
13. The Sub-Committee/Centre Treasurer's primary responsibility is to keep accurate accounting records of the financial affairs of the Sub-Committee/Centre in accordance with the responsibilities and tasks as detailed in their job description, the Sub-Committee/Centre's financial policies, procedures and guidelines, and the Association's Treasurers' Kit.
14. The Sub-Committee/Centre Treasurer maintains bank statement and a Monthly Financial Statement from accounting system or an equivalent recording and reporting system. The Sub-Committee/Centre Treasurer maintains an accounting system as agreed by the Association.
15. The Sub-Committee/Centre Treasurer prepares monthly financial reports for presentation and approval at Sub-Committee/Centre meetings.
16. The Sub-Committee/Centre Treasurer prepares an annual budget consistent with the Sub-Committee's/Centre's annual plan for presentation and approval at the Sub-Committee/Centre Annual General Meeting.
17. The Sub-Committee/Centre Treasurer also prepares regular budget comparison reports for presentation and approval at Sub-Committee/Centre meetings.
18. Where the Sub-Committee/Centre Treasurer resigns during the year, for protecting the incoming and out-going treasurer need to sign a Declaration Form of The Responsibilities Between Incoming and Out-going Treasurers. If any centre member wants the financial records to be audited, include both incoming and out-going treasurers, the financial records must be audited by an independent chartered accountant being a member of the New Zealand Institute of Chartered Accountants(NZICA).
19. The Sub-Committee/Centre Treasurer prepares an annual Statement of Receipts and Payments as provided by the New Zealand Playcentre Federation and in accordance with the reporting requirements of the Ministry of Education, the Early Childhood Funding Handbook and Ministry Circulars, for presentation and approval at the Sub-Committee/Centre Annual General Meeting.
20. The Sub-Committee/Centre Treasurer need to pass on the IRD register person to the incoming treasurer when resign this position.
21. The annual Statement of Receipts and Payments is audited by an independent chartered accountant being a member of the New Zealand Institute of Chartered Accountants (NZICA).
22. Copies of the audited Statement of Receipts and Payments are provided to the New Zealand Playcentre Federation, the Ministry of Education, the Charity Commission, the Association, other government agencies, and other funding agencies as required to meet statutory and financial accountability requirements.
23. The Association Bulk funding Co-ordinator checks and Licensee signs off the statutory declaration on all Early Childhood Funding Claim Forms (RS7) prior to their submission to the Ministry of Education.
24. The Association Management Team reviews and approves all other funding applications to the Ministry of Education and other funding agencies prior to their submission to the funding agency.

25. The Association Financial Team also supports the Treasurer and other members of their Sub-Committee/Centre to fulfil their responsibilities for financial management.
26. The Association Financial Adviser receives the monthly financial reports, the annual budget, the budget comparison reports, and the annual Statement of Receipts and Payments, together with the audit opinion and any audit recommendations.
27. The Association Financial Adviser checks and reviews these reports and any missing reports and/or unusual items are followed up with the Sub/Committee/Centre concerned.
28. In the event of the membership of the Sub-Committee/Centre being less than four members not of the same family, any decisions of a financial nature will be ratified by the Association Management Team, and the Association Treasurer, or nominated person, will be one of the named cheque signatories and sign all cheques.
29. In the event that the Sub-Committee/Centre does not manage its financial affairs in accordance with this policy and to the satisfaction of the Association Management Team, the administration of their funds will revert to the Association Management Team until such time as the Centre is deemed by the Association Financial Team to be able to recommence its own financial management.

Relevant Legislation and References

Incorporated Societies Act 1908

Education Act 1989

Education (Early Childhood Centres) Regulations 2008 and Licensing Criteria

Constitution of the North Shore Playcentre Association

Guidelines for Association Treasurers published by the New Zealand Playcentre Federation

Centre Treasurers Kit published by the North Shore Playcentre Association

Early Childhood Funding, a handbook published by the Ministry of Education

Circular 2004/8 Early Childhood Education: Financial Reporting Requirements for Community Based and Private ECE Services published annually by the Ministry of Education

Accepted Association Meeting September 2013

For Review – 2016