



August 2013

For Centre Presidents and Secretaries:

FINANCIAL RESPONSIBILITIES IN PLAYCENTRES

Your centre has two copies of Financial Management in Playcentres. One copy is for your Treasurer and the other is for your Operations Manual. It should have written in it your current policies on matters relating to finance. If you haven't seen it, then make sure you read it fairly soon.

Your Treasurer

Every centre must have a Treasurer who receives and receipts all monies coming into the centre, records this in the Cash Book, banks all money coming in, and reports to the centre at your monthly meetings on the Income for the previous month. Your Treasurer prepares cheques for payment in all accounts. Pay most of your accounts at your monthly meetings; in between, pay only those which fall due and must be paid as long as your centre has approved this in advance – examples are Telecom, power – or accounts for which there was specific prior approval at a previous meeting. In months with no meetings (i.e. holiday period), urgent payments can be approved via email. This process must meet quorum and then ratified at the next business meeting. **Cheques must be signed by two Centre Officers** – usually any two of the President, Secretary and Treasurer. Cheque signatories must be approved at a meeting and their names recorded in the Minutes. Your bank must be advised whenever there is a change to signatories. **Do not make any payments that have not approved at a centre meeting.**

NEVER SIGN A BLANK CHEQUE:

Whatever the circumstances that arise, never do it. It is just not worth the risk, and you are acting on behalf of your centre – you are not acting as an individual – it is the centre's money you are signing away, not your own.

When you sign a cheque, see the invoice you are paying, check that the cheque has been filled in correctly, only sign if you are happy about it.

Monthly Meetings

Your Treasurer reports to the meeting on a Monthly Financial Statement form, filled in prior to the meeting. There are 4 copies: 1 to the Secretary for the minutes; the Treasurer retains 2, and the 4th goes to the Association Financial Adviser to Centres (supports and trains Centre Treasurers).

In this report, after Income, your Treasurer reads a total of 'Cheques passed for Payments at the last meeting'. This is followed by a list of the cheques that have been paid *since the last meeting*. EACH CHEQUE IS READ OUT. This list is followed by the 'Cheques to be paid at the meeting' and as this list is read out, the second signatory has the cheque book and the invoices and signs each cheque as it is read out. If your centre uses online banking, the treasurer needs to read out the payments that need to be approved at this meeting. The second signatory, in sight of the relevant invoices, checks each payment as it is read out. After the meeting the treasurer needs to make the payments that have been approved at the meeting using online banking and arrange for the second signatory, who checked the invoices at the meeting, to authorise the payments online. The payments *must* be authorised online by the second signatory who verified the invoices at the meeting. Your Treasurer would have reconciled the Cash Book with the Bank Statements for the end of the previous month and will present Bank Statements to the meeting.

You must have a Financial Statement at each Meeting.

If the Treasurer cannot attend, someone else can read the statement on his/her behalf. We do live in a real world, so there may be the very occasional instance where the Treasurer does not have a Financial Statement to present to the meeting. It is up to your centre to judge the sufficient reason for this, but at the next meeting your Treasurer would report on the previous two months. If you feel there are any problems at all with the handling of money in your Centre, then talk to your Treasurer; you can get support from your Field Officer, the Association Financial Adviser or the Association Treasurer. The Association personnel are here to support you and your centre. Do not hesitate to seek advice, support, or just a listening ear if there is anything that is causing you concern.

Audit

Your Centre's Financial Records are audited by a qualified Auditor at the end of every financial year – 31st August as required by the Ministry of Education. If your centre appoints a new Treasurer during the financial year, the Financial Records could be undergo an interim audit and or fill a **Declaration Form of The Responsibilities Between Incoming and Out-going Treasurers**. This is for the protection of both the out-going and incoming Treasurers. If any centre members want the Financial Records audited, then the Financial Records has to be audited. Every new Treasurer must meet with the Association Financial Adviser to Centres for an Orientation evening.

Finally...

Your Centre is responsible for a large amount of money. You are accountable first to the families in your centre, but you are also accountable to the Ministry of Education (and ultimately to the taxpayers of New Zealand) for the responsible financial management of your Centre. If you follow the Guidelines book and seek Association support whenever you need it, then all should be well.