House of Orb Financial, Records, and Authorisation Policy book

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1. Scope

This policy sets out the House of Orb's (HoO) policies for Financial Reporting, Record keeping, Financial Reserves, and Authorised persons as part of the Associations activities and operation.

This document is supported by associated policies, procedures, and processes for purchasing, delegated authorities, and reimbursements. Where this document is found to be either in conflict with the Association Rules, or the Associations Incorp[ration Act (2015) those documents will overrule this document.

2. Application

This policy applies to all elected members of the HoO committee and office holders with financial authority in the Association.

The policy and procedure is to be provided to all newly elected committee members or upon request in writing to HoO Treasurer or general HoO email inbox.

3. Financial Reporting Policy

Annually the Treasury of the HoO shall produce a set of standard financial statements as prescribed by applicable legislation and following typical industry practices and standards. These prescriptions are described in Part 5, Division 3 of the Associations Incorporation Act (2015).

As a registered association and volunteer-based organisation, the HoO Treasurer will not be required to hold accounting qualifications, or engage the services of external auditors or book keepers in producing financial reports unless required by Legislation or as directed by a Statutory Authority.

The Statements shall be;

Statement of Financial Position (Balance Sheet) - reflects assets, liabilities and net assets of the organisation and classifies assets and liabilities as current or noncurrent/long-term.

Statement of Activities (Income Statement) - presents support, revenues, expenses, and other changes in net assets of the organisation, by category of net asset (unrestricted, temporarily restricted and permanently restricted)

Statement of Functional Expenses (Summarised by Project or Event Totals) – presents the expenses of the organisation in both a natural, or objective, format and by Project or Event (i.e. for which event did the expense support or serve).

Reports are required to be prepared and passed at the Association's AGM, and submitted to the Association's regulatory body once approved.

4. Record Keeping Policy

The Association by law is required to keep records in line with the Associations Incorporation Act (2015) and other legislated requirements administered by Authorities such as the ATO and DEMIRS.

Generally, financial records and books shall be kept for a period of **seven (7) years**, stored electronically for reliable access by Officers of the Association and Auditors as required.

5. Financial Reserves Policy

The Association shall at all times maintain suitable liquidity with cash or cash-equivalents to meet any real or potential liabilities if and when they fall due whilst also holding enough funds at any time to continue the operations of the Association.

The target reserve figure is set by the Treasurer of the Association and may only be changed by resolution of the Association Committee when required.

If and when the reserve figure is modified this document shall be updated to reflect the new target by the Association Treasurer.

To achieve the Reserve target the Treasure at any time shall apply the following calculation:

Association Cash At Bank (CAB)
Association Cash Equivalents (C.e)
Association Current Liabilities (L.c)
Association Potential Liabilities (L.p)

Where Current Liabilities are known Liabilities for Supplier accounts and Potential Liabilities as those identified as possible by Suppliers or Office holders of the Association.

(CAB + C.e) - (L.c + L.p) = Reserves (Liquidity position)

Minimum Reserve Target: $1,500

Examples:
($3,000 + $0) - ($1,450 + $150) = $1,400 (*target not met*)
($3,000 + $0) - ($800 + $200) = $2,000 (*target met*)

6. Authorised Persons Policy

The following elected Officers of the Association are authorised to incur, process, or otherwise enact financial transactions once approved under the Association's Delegated Financial Authority Matrix.

Banking Authorisations shall only be held by the following Association Officers;
Chair;
Vice-Chair;
Treasurer; and,
Association Founding Chair.

7. Breaches of Policies and associated procedures

If any individual covered by the application of this policy becomes aware of a real or potential breach of this policy and procedures notification must be immediately provided to the HoO Treasurer via email or other electronic messaging means.

If for reasons of unavailability, perceived conflict of interest in the breach, or notification being unacknowledged for material periods of time, the breach report shall be escalated to the HoO committee via email to adamin@houseorb.com.

Repeated or significant breaches of this policy and procedure may lead to disciplinary action and removal of an individual's membership with the association. Potential criminal cases of breaches, fraud, or embezzlement will be referred to proper authorities.

Content Owner and Approvals

Content	**Author**	Version	Date
Policy Book; Financial, Records, Auth	HoO Treasurer - Jared Stone	V.1 - Initial Document	November 2024

Content	**Owner**	Version	Date
Policy Book; Financial, Records, Auth	HoO Treasurer - Jared Stone	V.1 - Initial Document	November 2024

Approver	Date	Record
HoO Committee	16/11/2024	V.1 Approved - 24 11 16 Dom Committee Meeting Minutes.pdf