

POLICY

3.2 BANKING and ACCOUNTS (with attachments)



Supporting Procedure:		
Other Related Documents:	Policy 3.3 Credit Facilities Policy 3.4 Investment Delegations of Authority PHCC Constitution Register of Approved Signatories Register of Financial Reports (Attachment 1 to this Policy) Register of Bank Accounts (Attachment 2 to this Policy)	
Category:	Finance	
Type:	Strategic	Dates:
1 st Review By:	Jane O'Malley and Karen Henderson	08/05/2019
2 nd Review By:	Jane O'Malley and Karen Henderson	04/06/2020
Approved By:	Board of Management	18/06/2020
Issued By:	Chief Executive Officer	16/06/2020

Introduction

The purpose of this policy is to define PHCC banking needs to most efficiently manage banking for the running of the organisation and management of project delivery, while maintaining excellent governance standards.

Definitions

For the purposes of this Policy:

'Board Member' means a member of the PHCC Board of Management

'Board of Management' or **'Board'** means the Association Members of PHCC and has the same meaning as the word 'Council' in the Constitution

'Procedures' are the documented practices that ensure alignment and compliance to policies

Policy Statement

The Peel-Harvey Catchment Council Inc (PHCC) will maintain appropriate bank accounts for the efficient control of income and expenditure to facilitate reconciliation and delegation but without having so many accounts that cash management is impaired.

1 Bank Accounts

- 1.1 Bank accounts are held, managed (including opening and closing accounts) and maintained in accordance the PHCC Delegations of Authority and are detailed in the PHCC Register of Bank Accounts (Attachment 2).

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3.2 BANKING and ACCOUNTS (with attachments)

- 1.2 All bank accounts are to be business accounts set up in accordance with the requirements of the PHCCs Constitution and funding body agreements.
- 1.3 All bank accounts are to be opened only in the name of Peel-Harvey Catchment Council Inc. Only the Board of Management can approve the opening and/or closing of a bank account.
- 1.4 Appropriate bank accounts will be kept in line with grant conditions.
- 1.5 The PHCC receives the majority of its payments directly into the PHCC's Cheque / Operating Bank Account via direct deposit or EFT, some cheques and/or cash are received in the mail. Only the PHCC's Cheque / Operating Bank Account is to be used for receipting of all monies.
- 1.6 The PHCC makes payments from the PHCC Operating Bank Account via EFT, cheque or cash for Petty Cash purchases.
- 1.7 Bank accounts are to be reconciled monthly or in accordance with banking cycle defined by the Finance and Audit Sub Committee.
- 1.8 Bank Statements are to be signed by the Treasurer and presented to the Finance and Audit Committee, for report to the PHCC Board.

2 Approved Signatories – payment and account management

- 2.1 Signatories are defined in the PHCC Delegations of Authority to make payment of PHCC and Harvey River Restoration Taskforce payments.
- 2.2 Signatories are authorised persons for online access to, and payment of PHCC/HRRT accounts are defined in the PHCC Delegations of Authority.
- 2.3 Cheques are to be signed by the two of authorised signatories on the PHCC's accounts.

3 Finance Reports

Financial reports will be maintained and presented in accordance to the PHCC Register of Financial Reports (Attachment 1), as recommended by the Finance and Audit Committee, and endorsed by the PHCC Board of Management.

ATTACHMENT 1

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Register of Financial Reports – as at 1 June 2020

Summary of PHCC Financial Reports and their circulation

	Report	PHCC*	F&A*	F&A**	CEO & Treasurer	Steering Committee	Project Officer & Program Manager
1	Balance Sheet (showing 2 years)	Bi-monthly	3 x p.a.	Monthly	Monthly		
2	Activity Sheet	Bi-monthly	3 x p.a.		Monthly	Quarterly	Monthly
3	Cash Flow Analysis	Bi-monthly	3 x p.a.	Bi-Monthly	Bi-Monthly		
4	Distribution of Unspent Funds – including Profit & Loss	Bi-monthly	3 x p.a.	Monthly	Monthly		
5	Whole of Project Balance Sheet				Bi-Monthly	Quarterly	Monthly
6	Reconciliation Report – Visa		3 x p.a.	Monthly	Monthly		
7	Reconciliation - Corporate Online Saver		Quarterly	Quarterly	Quarterly		
8	Reconciliation - Project Online Saver		Quarterly	Quarterly	Quarterly		
9	Term Deposits		On Maturity	On Maturity	On Maturity		
10	Accounts Receivable & Payable Reconciliation (summary)	Bi-Monthly	Monthly	Monthly	Monthly		

* for ratification at formal meetings – only latest report (for latest month)

**for ratification via out of session endorsement (Treasurer with Finance Manager)

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Register of Bank Accounts – as at 1 June 2020

Account Name	Shown on Statement	BSB	A/C No.	Statement Cycle	Details
ANZ – Transaction Account Cheque Account Holding a/c only for Paypal & MYOB Direct payments	Business Advantage Account	016 745	4637 83443	Monthly	<ul style="list-style-type: none"> - All incoming monies from Paypal and MYOB Direct purchases will be paid into this account. - When funds received reach a limit, or on a regular basis, income received into this account will be transferred into the PHCC project cheque account.
ANZ - Corporate Online Saver Funds are held in this interest bearing account	Business Online Saver Statement	016 745	5272-85292	Quarterly	<ul style="list-style-type: none"> - Funds held in this a/c are corporate funds that are not linked to specific contract agreements [projects] with current financial year delivery commitments - PHCC support (equity and running costs) are held in this account - Generally this account is reconciled annually to reflect the needs of the organisation, with PHCC support funds transferred as appropriate - Interest earned is reinvested into corporate needs - Pending cash flow funds from this may account may be transferred to term deposits to generate higher interest, as defined in the Delegations of Authority
Project Cheque Account	Business Classic Statement	016 745	4942-31182	Monthly	<ul style="list-style-type: none"> - All incoming monies (except Paypal and MYOB) are paid into this account then transferred to the Project

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<p>Holding a/c only – need to maintain a balance of \$15,000</p>					<p>Online Saver [to enable interest to be accumulated]</p> <ul style="list-style-type: none"> - PHCC transfers monies as we need from project online a/c into this account to pay for project costs [note: cannot pay project costs directly from online saver - Generally project interest is required to be re-invested into the project from which it was generated - Pending cash flow funds from this may account may be transferred to term deposits to generate higher interest, as defined in the Delegations of Authority
<p>ANZ - Project Online Saver</p> <p>Balance of project funds is held in interest bearing account</p>	<p>Business Online Saver Statement</p>	<p>016 745</p>	<p>7272-85559</p>	<p>Quarterly</p>	<ul style="list-style-type: none"> - Funds held in this a/c are generally from funding received from service delivery arrangements (grants, contract agreements etc) - All interest is tracked monthly and allocated annually to PHCC internal Project Interest A/c. Then, dependent on project conditions: <ul style="list-style-type: none"> - Redistributed to the individual project interest a/c; or - Retained and reinvested into projects/corporate by decision (as per Delegations of Authority) (shown as other income against projects) - Aim is to keep as much in this a/c as possible so that we are generating interest.

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					<p>Pending cash flow requirements the Finance Manager transfers from this a/c to the Project Cheque a/c as needed to ensure funds are available for upcoming invoices</p> <ul style="list-style-type: none"> - Pending cash flow funds from this may account may be transferred to term deposits to generate higher interest, as defined in the Delegations of Authority
<p>Westpac - Term Deposit</p> <p>Funds not immediately required are invested to gain greater interest rates</p>	Term Deposit	036 134	23-9580	At Maturity	<ul style="list-style-type: none"> - Corporate and/or project funds not required during the period of the term deposit are transferred to a term deposit, in accordance with the Delegations of Authority - The intent is to gain as much interest as possible to reinvest into the organisation
<p>ANZ - Term Deposit</p> <p>Funds not immediately required are invested to gain greater interest rates</p>	Term Deposit	016 745	9779 23298	At Maturity	<ul style="list-style-type: none"> - Corporate and/or project funds not required during the period of the term deposit are transferred to a term deposit, pending approval of Executive (via recommendation of the Finance and Audit Committee); - The intent is to gain as much interest as possible to reinvest into the organisation