Financial Management Policy

Policy Statement:

Pennant Hills Before and After School Care Service is committed to transparent, accountable, and compliant financial management practices that ensure the sustainability of the service and the wellbeing of children, families, and staff. As a not-for-profit organisation, all financial decisions are guided by the principles of integrity, fairness, and compliance with relevant legislation, awards, and national standards. This policy ensures that budgeting, payroll, reporting, and expenditure are conducted responsibly, with records maintained in accordance with statutory requirements and accessible to families upon request.

Definitions:

Treasurer - Parent Management Committee member who works with the Finance Administrator and Director to manage budgets and financial reporting.

Not-for-profit organisation - An organisation where income is used to support the service and community, not distributed as profit.

Award (Children's Services Award 2010 / Clerks—Private Sector Award) - Legal documents that set minimum pay rates, allowances and conditions for staff.

Casual loading - Extra pay added to casual staff's hourly rate to compensate for lack of leave entitlements.

Split Shift allowance - Additional payment when a staff member works both morning and afternoon shifts in one day.

Annual General Meeting (AGM) - A yearly meeting where audited financial reports are presented to families and the community.

Considerations:

- Fair Work Act 2009
- Children's Services Award 2010 [MA000120]
- Clerks—Private Sector Award [MA000002]
- Superannuation Guarantee (Administration) Act 1992
- Education and Care Services National Regulations
    - Regulation 126 – Qualifications required for educators.

    - Regulations 145–151 – Staff records and rosters.
    - Regulation 168 – Requirement for policies and procedures.
    - Regulation 170 – Policies and procedures to be followed.
    - Regulation 181 – Confidentiality of records.
    - Regulations 243–244 – Financial management and reporting obligations.
    - Regulations 260–262 – Governance and management requirements
- National Quality Standard
    - 4.1.1 – Staffing arrangements enhance children's learning and wellbeing.
    - 4.2.1 – Professional standards guide practice, interactions, and relationships.
    - 7.1.2 – Management systems support effective service operation.
    - 7.1.3 – Roles and responsibilities are clearly defined.
    - 7.2.3 – Development of professionals is fostered through performance review and training.

Policy:

Governance & Oversight:

The centre operates as a not-for-profit organisation. Financial management is overseen by the Parent Management Committee (PMC), with responsibility delegated to the Finance Administrator, Treasurer, and Director for day-to-day operations and reporting.

The Finance Administrator is responsible for:

- Billing and account maintenance
- Processing payments and staff wages
- Maintaining rolls and staff records
- Preparing financial reports for the Parent Management Committee

The centre is audited annually, and financial records are retained for at least seven years in compliance with relevant legislation and funding agreements. The payment of fees and changes to fees is covered in our Bookings & Fees Policy.

Budgeting & Financial Reporting:

The Finance Administrator and Treasurer, in collaboration with the Director, prepare a budget each financial year for consideration by the Parent Management Committee. Past financial year records are used as the basis for developing the new budget.

At each PMC meeting, the Finance Administrator provides a summary to the Treasurer of the service's income and expenses, balance sheet, and debtors. This information is available to all families upon request.

The Finance Administrator ensures that all legal requirements are met each reporting period. All accounts are audited annually at the end of the financial year (June 30) and presented at the Annual General Meeting.

For information on remuneration, please see our Staffing Policy.

Corporate Credit Card Use:

Corporate credit cards may be issued to employees for business-related expenses, subject to approval by the Director.

Cards may be issued to:

- Director
- Assistant Director
- Vacation Care Coordinator

Employees without a card must seek approval from the Director for purchases and either request payment via a cardholder or pay themselves and submit receipts for reimbursement.

Permitted expenses include:

- Programming requirements
- Food for use at the centre
- Staff training
- Vacation care requirements bookings, resources, food
- Furniture or storage equipment
- Computer programs
- Staff amenities

Monthly limits:

- Director – $4,000
- Assistant Director – $1,500
- Vacation Care Coordinator – $1,500

Purchases over $250 require the Director’s authorisation. Prohibited uses include personal expenses, cash withdrawals, alcohol, drugs, weapons, and adult entertainment.

Cardholder responsibilities include:

- Protecting the card and keeping details secure
- Reporting lost or stolen cards immediately
- Using the card only for approved reasons

- Reconciling monthly statements with receipts and submitting documentation to the Finance Administrator
- Authorisation of statements: the Director authorises Assistant Director's statements; the Finance Administrator/Treasurer authorises the Director's statements

Violations may result in required repayment of expenses, disciplinary action, suspension, termination, or legal action.

Capital Purchases & Asset Management:

Capital purchases include furniture, fixtures, equipment, software, and leasehold improvements that have a useful life of more than one year and cost more than $500 (inclusive of GST).

For purchases exceeding $2,000 (inclusive of GST), competitive bids (preferably three, minimum two) should be sought.

Approval process:

- Purchases itemised within the approved capital budget are considered approved.
- The capital budget includes a discretionary fund of $2,000 (inclusive of GST) accessible by the Director without prior approval, provided resources are available. The PMC must be informed of any use of this fund at the next meeting.
- Purchases outside the approved budget or beyond the discretionary fund must be specifically approved by the PMC.

Recordkeeping requirements:

- Maintain a list of fixed assets with acquisition date, cost, and depreciation schedule.
- Keep documentation for each purchase on file.
- Include annual depreciation expenses in the operating budget.
- Evaluate insurance coverage for each acquisition and adjust as necessary.

Depreciation rates:

- Furniture & Equipment – 10%
- Computer Equipment – 25%
- Leasehold Improvements – 6.67%

Recordkeeping & Compliance:

The Finance Administrator is responsible for ensuring all financial records are kept according to statutory requirements. Records are retained for at least seven years.

The centre will comply with all relevant legislation, funding agreements, and audit requirements. For more information, please see our Privacy, Confidentiality & Record-Keeping Policy.

Version	**Action**	**Date**
V.1	Original endorsement	18th December 2025
V.1	PMC Approved	22nd December 2025