



# Healesville Community Renewable Energy Inc

## Finance03 - Budget Planning Policy

Policy Id	Finance03	Version	1.0
Policy Type	Finance	Subject	Budget Planning Policy
Approved	June 2020	Scheduled review	June 2023

### 1 Introduction

Healesville CoRE Central Committee is responsible for overseeing the budget of the organisation and for ensuring that the organisation operates within a responsible, sustainable financial framework.

In line with this responsibility, Healesville CoRE conducts a budget planning process each year as part of its annual Action Plan for Finance Goals. (Ref: Strategic Plan 2018-2021).

### 2 Purpose

The purpose of this policy is to set out the process for compiling, monitoring and reviewing Healesville CoRE's annual budget.

### 3 Policy

#### 3.1 Responsibility

It is the responsibility of the Treasurer to prepare all budgets and review budgets in consultation with other Central Committee members (RACI Matrix [Responsible, Accountable, Consulted, Informed]; Management03 Policy).

#### 3.2 Budget Preparation

Healesville CoRE Financial Year is July to June.

In April each year, the Treasurer starts preparing budget estimates for the following financial year. The process includes:

- looking at the organisation operational costs (accounting, post-box hire, web space fees, stationery, etc);
- estimating optional expenses (web page updates, CiviCRM consulting, etc);
- estimating membership fee income;
- proposing target income from sponsorships.

The level of detail of the budget operational costs should be low enough to be meaningful for tracking against during the year. It may be suitable to group operational expenses together, for easier comparative evaluation half way through the financial year.

The Treasurer will present the draft budget for discussion at a Central Committee meeting. The Central Committee may accept the estimates as presented or may request variations. Detail of reasons for revision should be minuted.

The Treasurer will revise the draft budget and present the amended budget at the next available Central Committee meeting, usually in May but no later than end of June. Once adopted by the Central Committee, this becomes the official operating budget of Healesville CoRE, for the following financial year. All Central Committee members and Healesville CoRE members must work within the financial limits stated or implied by the budget document.

### **3.3 Monitor and Review Budget**

The Treasurer is responsible for monitoring Healesville CoRE's operational expenditure, reviewing the year-to-date actual and budgeted expenditures during the financial year. Healesville CoRE would like the Treasurer to do this review after the first half of the financial year and report on the actual v budgeted expenditure at that point in time.

The Treasurer will advise whether any actual v budget variation will have an effect on the annual budget projections, to the Central Committee.

If the Treasurer proposes any change to the operational expenditure budget and this change is adopted by the Central Committee, the revised budget will become the new operating budget for the remainder of that financial year.

### **4 Related Documents**

Communications06 - Media Relations Policy

Governance04 – Records Management Policy

Management03 - RACI Matrix

Strategic Plan (2018-2021)