

SAARA FINANCIAL POLICY

2014-07-01 (rev3)

1 FINANCIAL PRINCIPLES

SAARA is a non-profit organisation that relies totally on the financial support of its members in order to finance the day to day operation of the association. All decisions must therefore be taken with the best interest of the members in mind, while supporting the SAARA objectives.

2 BANKING

The Association has one bank account in the name of SAARA.

Signatories to this bank account are:

- The President
- The Treasurer
- One other Executive Member

The signature of the treasurer is required in order to approve payments from this account.

All income and expenditure associated with the business of SAARA shall be processed through this one official account.

Special tour accounts may be nominated as required provided that all deposits and refunds are be managed through the SAARA account.

3 BUDGETING

A projected budget will be tabled by the Treasurer at the AGM each year for discussion and approval by the Council.

This budget will contain the following:

- anticipated income
- anticipated expenditure broken down per item/project
- comparative expenditure from the previous year.

4 FINANCIAL STATEMENTS

This is to be managed in accordance with the constitution of SAARA and to a standard that conforms to normal accounting practice acceptable to the appointed audit firm. This will include:

- Complete bank statements for the entire year
- Income statement
- Balance sheet.

5 AFFILIATION

Membership affiliation fees are determined annually at the AGM of the Association. The first round of affiliation of all members is payable by the end of March each year.

Senior members (age 21 and older in the year of affiliation) will be allowed to pay the junior membership fee, provided that they can provide proof of registration as a full time student at a registered tertiary institution to the permanent member through which they are affiliating.

Membership and affiliation will be managed through the SAARA permanent members who will make affiliation payments into the SAARA bank account. A reconciliation of all members and payments must be submitted to the Treasurer by each permanent member.

6 TOURS

A tour manager shall be formally appointed by the SAARA executive committee and the tour manager will be accountable for all financial aspects of the tour. The tour manager will prepare a budget that covers at least the following aspects of the tour.

- All travel and transport arrangement (airline tickets, luggage, bus, taxi, etc. while on tour)
- Insurance
- Accommodation
- Three meals per day
- Competition entry and registration fees.
- Team recreational activities where appropriate.
- Gifts to hosts and organisers where appropriate.
- Reasonable administrative expenses.
- A reasonable contingency for unforeseen expenses.

The budget shall be reviewed by the SAARA Executive Committee to ensure that is reasonable and complete.

The tour manager will nominate a tour account (preferably a credit card account) that will be used to control the tour expenses. Where possible accounts should be settled in advance from the SAARA account.

An accurate record must be kept of all tour expenses and reconciled at the end of the tour. Surplus funds will be paid back into the SAARA account from where tour members will be reimbursed.

All tour members shall settle their tour account prior to any deadlines set by the tour manager.

Tour members are responsible to cover their own cost regarding the following items:

- Required travel documentation.
- Clothing, equipment and team wear.
- Pocket money.

7 EXPENSES

The recovery of all expenses incurred by a SAARA member performing official SAARA duties shall be approved by the President prior to any commitment being made.

The Council shall approve the following rates:

- Travel using a private vehicle – Rate / km
- Maximum accommodation allowance
- Maximum daily meal allowance.
- Travel by air and the use of hired vehicles shall be approved by the President or the vice President and Treasurer.

Expenses will be refunded based on actual cost and actual distance travelled and supported by invoices or receipts.

The President may not approve his own expenses and all expenses not in the budget that exceeds R10,000.00 shall be approved by the SAARA council.

Expense claims must be submitted, with supporting documentation, within 30 days of the expense being incurred.

8 DEVELOPMENT FUNDS

Development funds will be applied as per the proposal tabled to obtain the funds.

The development expense plan shall be approved by The SAARA council

Development funds may not be used for SAARA operational expenditure.

9 SPONSORSHIPS

SAARA is not in a position to sponsor or assist in covering the cost associated with tours of any of its athletes or members that accompany a tour as part of the tour management team.

Athletes and tour management members may obtain sponsors provided that the following conditions are met:

- All sponsorship applications must be completed on official SAARA forms provided for that purpose.
- The sponsor must pay all sponsorships directly into the SAARA account with the tour reference number provided on the sponsorship form.
- The completed sponsorship form must be submitted to the SAARA Treasurer for control and record keeping purposes.
- Should the tour be cancelled or the athlete be withdrawn from the tour the sponsorship(s) will be returned to the sponsor(s) who will have the option to request that the sponsorship be retained by SAARA for possible future tours by the athlete or applied according to the sponsor's request.
- Should the sponsorship exceed the actual cost of the tour the extra funds will be returned pro rate to the sponsor(s) who will have the option to request that the

sponsorship be retained by SAARA for possible future tours by the athlete or applied according to the sponsor's request.

10 SALARIES, ADMINISTRATION AND CONSULTING FEES

All salaries, administration and consulting fees shall be approved by the SAARA Council.

11 SYSTEMS AND PROCESSES

All financial transactions will be recorded by the Treasurer using a controlled and auditable financial system.

All financial transactions must be supported by formal documentation in the form of invoices / receipts and / or purchase orders.

Approvals required to incur expenditure shall be in the form of an approved budget, meeting minutes, or written approval by the President if the expenditure is not included in the budget.

Approval is required prior to committing to expenditure.

It is incumbent on the person incurring the expenditure on behalf of the association to ensure that the Treasurer has proof of approval being granted.

The sale of any stock or services will be supported by a controlled invoicing system as part of the SAARA financial system.

Stock levels will be assessed and reconciled with the SAARA financial system twice a year at the end of June and end of December.