

# **CREATIVE SOUNDS SOCIETY INC**

## **FINANCIAL POLICIES.**

### ***Defining Roles and Responsibilities***

- The management committee shall appoint a committee member as Treasurer who will be responsible for preparing the financial reports on a monthly basis for the Management Committee.
- This person (if not a member of the Management Committee) shall be responsible to a member of the Management Committee.
- The Management Committee shall require from the Treasurer:
  - Monthly Financial Reports with budget comparisons.
  - Annual Financial Reports to be approved for Audit.
  - (note Annual Financial Reports should be available to the auditor no later than 6 weeks after the Financial Year end).
- The Management Committee shall require from the Manager:
  - Monthly reports that document all operational expenditure, and the rationale for this expenditure.

## **EXPENDITURE**

### ***Accounts for Payment***

- All invoices to be paid shall be approved by the Manager and a Member of the Management Committee.
- All cheques shall have at least two signatories, of which one must be an office holder on the Management Committee.
- No blank cheques are to be signed by one signatory.
- All accounts paid during the month shall be listed on a schedule and presented to the Management Committee at its next monthly meeting for ratification. The chair of the meeting will sign the schedule which will be filed with the invoices and a copy attached to the Management Committee minutes.
- Creative Sounds will reimburse staff for expenditure they incur on behalf of the society, once an invoice is presented (although this could be in the employees name), and reimbursement will be made by cheque .

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- Creative Sounds will not discourage employees from participating in transactions where Creative Sounds orders (and pays for) goods bought for the society. Staff are required to pay promptly the private purchase component (GST inclusive), to avoid any perception that public funds are subsidizing a private purchase. If for whatever reason there is a delay in repayment of these funds, the employee shall be liable for the interest the society would have received on these funds if they had continued to be held in the investment account.

### ***Compliance Requirements***

- The GST returns shall be the responsibility of the person appointed by the Management Committee to provide the financial reports
- The PAYE returns and payment shall be the responsibility of the Manager who shall also be responsible for the payment of salaries and the maintenance of salary and holiday records.

## **INCOME**

### ***Receipt of Monies***

- All monies shall be recorded in the receipt books and banking shall be completed as required at least twice monthly with the final banking for the month to include all monies received up to and including the last day of the month.
- Banking money from Gigs shall be made on the Monday following the Gig.
- All money held at the Stomach to be kept in a locked cash box.

### ***Petty Cash***

- There shall be a petty cash float of \$100 based upon an imprest system.
- All petty cash payments shall be authorized by a receipt or voucher signed by the Manager.
- When cash is low, a cheque shall be drawn for the difference between the cash remaining and the imprest total of \$100. This cheque will be authorized by a summary of petty cash together with receipts and vouchers that should total the amount of the cheque.
- The summary of petty cash and receipts and vouchers shall be filed with the invoices for payment.

## **PAYMENTS POLICY**

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### ***Rehearsals***

- All rehearsal sessions (practices) to be paid by clients in full before the start of the booked session.
- All rehearsal session payments (and non-payment) to be written into the rehearsal book.
- Rehearsal banking to be done at least twice monthly, and the figures to be written into rehearsal book.

### ***Recording Studio***

- All studio sessions to be paid by clients in full before start of booked session  
Customers are to be made aware that we don't give credit, and we expect payment to be made in full before recording session begins.
- The sound engineer must record customer contact details (band member/artist name and phone number). An invoice will be issued at the conclusion of each session, and payment in full at the conclusion of the session will be encouraged.
- If full payment is not secured, alternative payment arrangements will be finalized with the manager who may arrange for regular installments. There will be no further recording undertaken with any customer until all outstanding debts are cleared.

### ***CD Duplication***

- CD duplication will be paid for at the time of collection. No credit without prior arrangement.
- Tapes and master CDs will only leave the studio once payment in full received.
- All income from the recording studio will be invoiced and receipted.
- Studio banking will be done weekly on Mondays with amounts recorded in the income ledger, with invoice #, amount, client name, date paid, and date banked.

### ***Gigs***

- All income to be banked on Monday following the Gig, with all details recorded in income ledger.
- The till will be cleared at regular intervals during the Gig.

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- There will be adequate money kept in the till for floats.

## **OVERDUE ACCOUNT COLLECTION**

### ***Step One***

- After one month, phone the band/person concerned and give a reminder about their overdue account, and let them know that we are unable to take any further bookings for them until arrangements have been made to repay the account. Discuss payment options (minimum \$10 per week), which can be arranged if the total sum cannot be paid at once. This will constitute the first notice of an overdue account.

### ***Step Two***

- After two months, send a second notice of overdue account to the band/person, reiterating payment options (minimum \$10 per week) and requesting prompt payment.

### ***Step Three***

- After three months, send final notice letter requesting full payment of account within seven days. Letter should also state that if we do not hear from band/person within seven days, we will be forced to take further action.