

Budget Preparation and Financial Reporting

PURPOSE

To provide objectives for preparation of the annual budget and establish Council's financial management reporting requirements.

SCOPE

This policy applies to the annual budget and financial reports prepared for Council.

POLICY

Budget Preparation

- Council will prepare and adopt an annual budget by 30 June each year in readiness for the financial year commencing on 1 July.
- Council will maintain a ten-year financial plan, as part of its Strategic Resource Plan.
- All Council fees and charges will be reviewed in conjunction with preparation of the annual budget to allow an accurate estimate of income to be made for the coming budget year.
 - Any adjustment or change required will be referred to Council for approval.
 - Where possible, fees and charges will be set to maintain a user pays philosophy.
- The budget will be prepared within the scope of any parameters that may be set by Council.

Financial Reporting

- As part of the statutory quarterly statements, Council will examine forecasts of annual income and expenditure for the current financial year.
- In addition to statutory reporting requirements, monthly financial reports will be produced to monitor Council's performance against budget and overall financial position.
- Reports will be relevant, clear and easily understood.
- With the exception of end of year reporting, where possible, Council will examine reports in the month following the period that they cover.
- Reporting requirements, including format and frequency, will be reviewed on an ongoing basis.

RELATED POLICIES

*Council Policy Protocol
Loan Borrowings*

Warning: Do not print and **store** a hard copy of this policy. Intranet or Policy Register version should always be used to ensure policy is the latest version.

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RELATED LEGISLATION

Local Government Act 1989 (Parts 6 and 7)
Local Government (Finance and Reporting) Regulations 2004 (Part 3)

REFERENCES

- Moira Shire Council, *Strategic Resource Plan*
- Moira Shire Council, *Moira Shire Council Plan*
- Moira Shire Council, *Budget Manual*
- *Australian Accounting Standards*

REVIEW

This policy will be reviewed three years from the date of adoption, with operational amendments as required in accordance with Council's approval.

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