

Budgeting Policy

4 September 2015

Application

This policy applies to IEUA Federal Office and all Branches.

Purpose

The purpose of this policy is to prescribe the use of budgets for management planning purposes and for general internal reporting. The intent is to maximise the benefits of contemporary accounting practice in providing financial information to management.

This policy does not prescribe the method used for determining a budget or limiting the appropriations or allocations of funds of any Branch.

Nothing in this policy will prevent a Branch from carrying an additional capital budget which shall be separate from an operational income and expenditure budget.

Context

Section 252 of the Fair Work (Registered Organisations) Act 2009 requires Branches of an organisation to have consistent accounting policies.

Each Branch shall prepare an operating budget for the financial year.

Budgeting Procedure

A Branch shall fix the budget by resolution of the Branch Executive for each financial year. An approved budget shall not be changed although amendments to annual expenditure may be approved by resolution of the Branch Executive. Such amendments may be referred to when reporting relevant variances.

The approved budget shall be entered into the Branch's accounting system to enable reports to be generated that reflect actual income and expenditure against anticipated (budgeted) income and expenditure.

Whilst the timing and style of reports produced for management purposes is the prerogative of the Branches, such reports should take advantage of the ability to report actuals against budgets.

Such reports include:

- Balance Sheet as at an appropriate date;
- Profit and Loss (Budget Analysis) statements for an appropriate period, including zero balances and budget variances.

Version	Created	Created by	Approved	To be reviewed
Original	4 September 2015	Federal Executive	4 September 2015	September 2017
Revised				