

## Strategic Discussion: Financial Sustainability: Financial Stability

**Statement:** The Governance board has a responsibility to monitor Association finances, to be prudent with expenditure and to ensure the ability to cope with unforeseen circumstances which may affect our organisation. They acknowledge they must be courageous about making decisions which could affect the long term financial position and sustainability of our Association.

Area	Ensure:	Further Initiatives to be explored
Strategies	<ul style="list-style-type: none"> <li>• Desirable to maintain cash reserves at equivalent of 3 months of operational expenditure</li> <li>• Access grant funding where available</li> <li>• Accurate reporting systems are in place</li> <li>• Accounts prepared by accountants and independently audited</li> <li>• Annual budgets presented are realistic &amp; based on current data</li> <li>• Have identified alternative funding streams options</li> <li>• Business and marketing plans are developed</li> </ul>	
Staff	<ul style="list-style-type: none"> <li>• Maintain and protect existing assets</li> <li>• Operate within Association guidelines for expending funds</li> <li>• Operate within annual budgets</li> <li>• Keep management informed of issues which may affect sustainability (eg enrolments)</li> </ul>	
Board engagement	<ul style="list-style-type: none"> <li>• Receive &amp; consider financial reports</li> <li>• Question information regarding the financial position of the Association</li> <li>• Ensure due diligence has been undertaken before making decisions affecting Association finances</li> <li>• Ensure management has systems in place to protect assets</li> <li>• Seek NZKI support &amp; advice if required</li> </ul>	
Management	<ul style="list-style-type: none"> <li>• Monitor enrolment levels closely</li> <li>• Support additional marketing where required</li> <li>• Suspend discretionary expenditure until established that funds available to proceed</li> <li>• Keep current with knowledge about initiatives affecting finances or enrolments which are being introduced by other Associations</li> <li>• Report accurately to the Board</li> <li>• Provide the Board with financial advice</li> <li>• Engage additional financial advice when applicable</li> <li>• Keep current with PD re financial management</li> <li>• Ensure risk of fraud eliminated or minimised</li> <li>• Ensure assets appropriately insured</li> <li>• Seek NZKI support &amp; advice if required</li> </ul>	