



GUIDELINES

CMVO Financial Control

Purpose of the guideline document

To assist the CMVO and CMVO Member Organisations to comply with the Financial Guidelines in order to ensure proper governance regarding the finances of the organisation.

Who is affected by this guideline document?

CMVO and CMVO Member Organisations

Guideline statements

1. **Document all transactions to ensure proof of actions.**
 - 1.1. Ensure that Constitution contains rules on financial procedures
 - 1.2. Institute a system to record transactions
 - 1.3. Collect invoices for payments or acknowledgement of receipt
 - 1.4. Record amounts received and provide receipt
 - 1.5. Keep record of goods purchased (stock control)
 - 1.6. Compile and document a budget
2. **Balance**
 - 2.1. Ensure regular (at least monthly) balancing of all income and expenditure
 - 2.2. Record start balance at beginning of period
 - 2.3. Record total income
 - 2.4. Record total expenditure
 - 2.5. Balance at the end of the period
3. **Independent control**
 - 3.1. Management Committee to approve expenditure according to budget
 - 3.2. Management Committee to approve extraordinary expenditure
 - 3.3. Appoint a person (Treasurer) to oversee/handle monetary transactions
 - 3.4. Insist on at least two persons to authorise payments or report all payments to Management Committee on a regular basis
 - 3.5. Audit/review by a qualified auditor/reviewer if possible
4. **Reporting**
 - 4.1. Report to Management Committee on regular basis
 - 4.2. Provide budget for Management Committee approval
 - 4.3. Report on all income and expenditure
 - 4.4. Report to NPO Directorate of Department of Social Development if registered as NPO



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5. Collection of funds and donations

- 5.1. Ensure that collections are within Constitutional authorisation
- 5.2. Keep proper record
- 5.3. Submit letter of appreciation to Donor

6. Use of funds

- 6.1. Funds must be used for purpose collected
- 6.2. No funds may be used for personal purposes
- 6.3. Funds may be used to compensate members for approved expenditure

7. Bank account

- 7.1. Bank account can opened by Organisation
- 7.2. FICA requirements will apply
- 7.3. Approved Constitution required
- 7.4. Details of Management Committee members
- 7.5. Proof of address

Procedure to be followed

1. Distribute guidelines to all member organisations.
2. Management committee of each member organisation must ensure guidelines are implemented within the organisation.

How this guideline document will be applied

These guidelines will be approved by CMVO Council and distributed to all Member organisations for implementation.

Consequences for non-compliance of guidelines

1. The CMVO and CMVO members may be exposed to negative comments in the annual audit report and may lose its NPO status.
2. Criminal charges may be brought against the Management Committee of CMVO or CMVO Member Organisations.

Legal support for this guideline document

- CMVO Constitution

Definitions

Term	Definition
Member	A military veteran organisation who is a member of the CMVO
NPO	Non-Profit Organisation registered at the Department of Social Development

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Associated Forms

Form Name	Explanation

Associated Reference

Reference Name

Owner of the policy

Organisation	CMVO National
Position	Manco
Position incumbent	Treasurer

Version Control

Date	Version	Description of update	Author / Reviewer
2015/04/07	0.1	First draft	B van Rhyn
2016/08/11	0.2	1 st Update (On confirmation from Brandt van Rhyn)	George Dicker