

REVISION TO THE NBN FINANCIAL MEMORANDUM

REPORT BY GISELLE STERRY

PURPOSE

1. To advise Board of Trustees of the revised financial memorandum

BOARD ACTION

2. Note the revised Financial Memorandum

OVERVIEW

3. The financial memorandum has not been fully revised for a number of years.
4. The revised document takes into account the change to online banking as the prime method to manage NBN accounts.
5. The revised document takes into account that the accounts package can be accessed online securely and available to the Chief Executive Officer for auditing.
6. Following a change to the Rules and Standing Orders at the 2017 AGM the financial memorandum can be changed in agreement with the Board of Trustees and does not require ratifying by the NBN membership.
7. Summary of Changes
 - a. Section 3 Financial Controls - 3.2.4, 3.3.2, 3.4.1 and 3.4.4 text amended to reflect that BACS is the preferred method of payment and that nearly all transactions take place on line.
 - b. Section 3.5 Employment Policy and Payroll – amended to reflect that the preferred option is for NBN to employ staff directly.
 - c. Section 5 – Income Process: Flow diagram and text updated to reflect use of online banking
 - d. Section 6 – Expenditure Process: Flow diagram and text updated to reflect use of online banking
 - e. Section 11 – Reserves Policy – the figure for 3 months running costs has been updated
8. No other changes have been made to the document at this time.