



新加坡尿失禁医学会  
SOCIETY FOR CONTINENCE (SINGAPORE)

# **FINANCE POLICIES & PROCEDURES MANUAL**

**FIN - BP - 04**

**Budget Planning and Monitoring**

**Finance Policies and Procedures Manual**  
**Budget Planning and Monitoring**  
**FIN-BP-04**



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V1.0		Rani Vadiveloo, Executive Director		Rani Vadiveloo, Executive Director	



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## **SCOPE**

The policies and procedures in this document govern the budgeting process, monitoring of budget, performance monitoring and the review and revision of budgets.

## **OBJECTIVE**

- 1) To ensure that the annual budgeting process is performed timely and supports the IPC's financial and operational planning objectives (clarity on financial goals, alignment of programme objectives to vision and mission, and performance measurement) and processes.
- 2) To ensure that actual versus budget variance is monitored and that significant variances are explained and reported.
- 3) To ensure that expenditure made are in line with programme objectives.
- 4) To ensure that budgets are reviewed periodically for relevance and revised.

## **DEFINITION**

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## **DOCUMENT REFERENCE**

- 1) Recommended Accounting Practice ("RAP") **RAP 6**, Accounting and Reporting by Charities
- 2) Code of Governance - For Charities & Institutions of a Public Character (IPCs)

## **POLICIES**

### **1.0 Annual Budgeting**

(Reference: **Guideline 6.1.1, Code of Governance (For Charities & Institutions of a Public Character (IPC))**)

- 1) Executive Director should be responsible for preparing annual budget.
- 2) Budget should be prepared based on planned events and programmes run by the IPC.
- 3) The budgeted expenses for events and programmes should form the minimum fund raising target for the Commercial Third Party Fund Raiser.
- 4) Annual budget for the next financial year should be prepared by 30 November each year.
- 5) Annual budget should be submitted to the Treasurer for review and Executive Committee for approval.
- 6) Items to be included in the budget should include (but not limited) to the following:
  - a) Basic Operating Expenses such as Petty cash, Rental expenses, Insurance premiums, etc.
  - b) Budget for Projects
  - c) Details of donations to other charities
  - d) Bank Fixed Deposit Rates

### **2.0 Budget Monitoring**

(Reference: **Guideline 6.1.1, Code of Governance (For Charities & Institutions of a Public Character (IPC))**)

- 1) A financial statement, showing the budgeted expenses versus actual expenses should be prepared at least once a year.
- 2) The variance analysis should be prepared using the financial statement in point 1.
- 3) Material variances (i.e. variance above 15%) should be highlighted to the Executive Committee.
- 4) The Executive Committee should understand the reason for material variances and decide if there is a need to revise budget.

### **3.0 Budget Revision**

- 1) The Executive Director should propose the revised budget after discussion with the Honorary Treasurer.
- 2) The revised budget should be submitted to the Executive Committee for review and approval.
- 3) The revised budget is used only after approval is given by the Executive Committee.

## PROCEDURES

Description of Procedures	Responsible Person
<b>1.0 Annual Budgeting</b>	
<b>1.1 Prepare budget based on budget template</b>	
1) Consolidate the normal operating expenses in the current financial year and project the operating expenses for the next financial year. 2) Prepare a list of events to be conducted in the next financial year and the budgeted cost required. 3) Based on current donations, project the donations for the next financial year. 4) Enter all the figures into budget template ( <b>BP-D01</b> ).	Executive Director
<b>1.2 Discuss draft annual budget with Honorary Treasurer</b>	
1) Send draft budget to Honorary Treasurer for review. 2) Discuss (either verbal or email discussion) with Honorary Treasurer to derive budget to be submitted to the Executive Committee for approval.	Executive Director/ Honorary Treasurer
<b>1.3 Review and approve annual budget</b>	
1) Review the annual budget submitted by Honorary Treasurer and Executive Director. 2) Ensure that the annual budget for operating expenses is complete and the expenses for various planned projects are reasonable and are approved projects. 3) Approve and document approval in the Executive Committee Meeting Minutes.	Executive Committee
<b>2.0 Budget Monitoring</b>	
<b>2.1 Prepare and submit financial statement for review</b>	
1) Receive financial statement from outsourced Accountant. 2) Review the financial statement for accuracy. (Refer to <b>FIN-RR-01 Section 6.0</b> for procedures to review accounting records maintained by outsourced accountant) 3) Submit the actual versus budget financial statements to the Honorary Treasurer for review.	Executive Director



Description of Procedures	Responsible Person
<b>2.2</b> Review the financial statements	
4) Review the financial statement and highlight material variances. 5) Find out the reasons for material variances via discussion with Executive Director and reviewing the documents supporting the numbers reported. 6) Determine if there is a need to make adjustment to the budget.	Honorary Treasurer
<b>2.3</b> Informing Executive Committee on current financial position	
7) Explain reasons for material variances to the Executive Committee. 8) If budget revision is required, propose necessary adjustments for review and approval. (Refer to <b>Section 3.0</b> for procedures to revise budget)	Honorary Treasurer/ Executive Director
<b>3.0 Budget Revision</b>	
<b>3.1</b> Prepare revised budget	
1) Highlight programmes where cost is high and may be required to be postponed. 2) Document the following information: <ul style="list-style-type: none"> <li>• Reasons to remove the programme temporary from the budget</li> <li>• Amount of sponsorship/donation received by the Society such that the Society can run the programme without affecting other programmes as well as general operations</li> <li>• Revised date of the programme.</li> </ul> 3) Present the final revised budget to the Executive Committee for review and approval.	Honorary Treasurer/ Executive Director
<b>3.2</b> Review and approve revised budget	
4) Review the items to be temporary suspended due to shortage of funds together with the conditions in which the programme can run as scheduled. 5) Approve the revised budget.	Executive Committee
<b>3.3</b> File the evidence of review in budget file	
6) File a copy of the meeting minutes and supporting document which states the reasons for temporarily suspending programmes in file.	Executive Director



**DOCUMENT LIST**

<b>No.</b>	<b>Document Name</b>	<b>Document Ref No.</b>
<b>1.0 Annual Budgeting</b>		
1.	Annual Budget Template	<b>BP-D01</b>
<b>2.0 Budget Monitoring</b>		
<i>Not Applicable</i>		
<b>3.0 Budget Revision</b>		
<i>Not Applicable</i>		





## ANNUAL BUDGET TEMPLATE

### SECTION (A)

Estimated Basic operating expenses budget  
for Society for Continence (Singapore) for year 2008

1)	Petty cash	500 x 12	6,000
2)	Tong Eng Building Sinking Fund	1,500 x 4	6,000
3)	Sing Tel monthly bill	100 x 12	1,200
4)	Sing Tel line charge every quarter	240 x 4	720
5)	Camden Rental + GST	4,000 x 12	48,000
6)	CGH Rental	470 x 12	5,640
7)	Pacific Internet + Broadband	119 x 12	1,428
8)	Staff Salaries + AWS + 1 month bonus	5,255 x 14	73,570
9)	Part-Time Staff Salary	800 x 12	9,600
10)	CPF contribution	605 x 14	8,470
11)	Camden Office Cleaning Services	110 x 12	1,320
12)	Photocopy Charges	50 x 12	600
13)	IRAS (Property Tax)	174 x 12	2,090
14)	Hosting & Maintenance of Website	yearly	1,700
15)	Insurance Coverage:		
	• Board members		
	• Staff		
	• Camden & CGH (Fire & Theft)	yearly	5,000
16)	Printing Stationery & Miscellaneous		5,000
17)	PUB Bill	174 x 12	2,090
18)	Accounting Fee (every quarter)	1,050 x 4	4,200
19)	Auditing Fee	yearly	2,500
20)	ICS Conference	yearly	6,000
	<b>Total Sum required</b>		<b><u>191,128</u></b>

### SECTION (B)

Projects for 2008 (estimated budget)

1)	Japan – Asean Conference UI/FI Workshop - Dec 2008	5,000
2)	CC Talks	1,000
3)	CPG publication	13,000
4)	GP Seminar	5,000
5)	Nursing Homes Training Programme	4,000
6)	Public forum	10,000
7)	Nursing Homes Aids & Appliances	19,000
8)	New Dimension	56,000
	<b>Total</b>	<b>113,000</b>

\* Items 2-8 in **Section B** are sponsored/supported by industries

\*\* Item 1 is borne by the Society

\*\*\* **Section A:** Item 5 is a safety cushion, as we would be receiving S\$48,000 from Tong Eng rental which offsets the rental paid out to Camden. In the event if the public donations drop in percentage (%), we can use the said sum for the events without disruption.

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## SECTION (C)

Nursing Homes appealed for aids and appliances

The 3 Homes' breakdown is as follows:

1)	<u>Ju Eng Home for Sr Citizens</u>		
	High back wheelchair	2 units @\$380	\$S760.00
	Adult Diapers	1000 pcs @0.62 cents	\$S620.00
2)	<u>St Theresa's Home</u>		
	Commode wheelchair	15 units @\$280	\$S4,200
	Standard Wheelchair	10 units @\$100	\$S1,000
	Adult diapers (M) 100 cartons	(56 pcs per carton @0.62)	\$S3,472
	Adult diapers (L) 50 cartons	(56 pcs per carton @0.62)	\$S1,736
3)	<u>Ling Kwang Home for Sr Citizens</u>		
	Standard Wheelchair	30 units @\$100	\$S3,000
	Detachable Armrest Wheelchair	20 units @\$200	\$S4,000
	Total Sum Required:		<u>\$S18,788</u>

We can accommodate 100% purchases for the above 3 homes as it is within our annual budget.

## SECTION (D)

Bank Fixed Deposit Rates:

Bank	3mths	6mths	9mths	12mths
May Bank	2.0625	2.125	2.125	2.1875
Citibank	2.01	2.2	2.23	2.28
UOB	1.7	1.7	1.8	1.8
DBS	1.8	1.8	1.8	2.88

- DBS similar to UOB

•Reserves:APCAB \$S30,000 • Tong Eng Security Deposit:\$S7,800