

CIRCULAR



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**THE RETURNED AND SERVICES LEAGUE
OF AUSTRALIA
(NEW SOUTH WALES BRANCH)**

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PATRON

**HIS EXCELLENCY GENERAL THE HONORABLE DAVID HURLEY AC DSC (Retd)
GOVERNOR OF NEW SOUTH WALES**

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12th September, 2016

TO: ALL HONORARY SECRETARIES AND SECRETARIES OF RSL SUB-BRANCHES,
DISTRICT COUNCILS AND STATE COUNCILLORS

EXPIRY DATE: 12th September, 2017

Dear Sir/Madam,

RSL SUB-BRANCH BUDGETS

As a result of the resolution of State Council at its June 2013 meeting and the signing of the Deed between the ATO and RSL NSW it is compulsory for a sub-Branch to submit a budget for approval to State Council / State Executive by the 30th November of each calendar year.

The Deed between RSL NSW and the Australian Tax Office states:

“Each sub-Branch/subsidiary shall create and keep a financial budget, which will set out the proposed allocation of funds earned or received by the sub-Branch/subsidiary including welfare and charitable activities. The sub-Branch budget and any variation to the budget shall be recorded and approved by State Council.”

Budgeting is the process of preparing a financial plan for future operations with a view of enhancing performance. It is a summary of financial expenditure and income over a specified period of time as well as totals of money allocated for a specific purpose during a specified period. As a management tool, the scope and coverage of the budget will be determined by the extent of usage that management is willing to make of the tool and its costs of implementation. Budgets should be drawn up for the calendar year.

The following is the recommended RSL NSW budget method:

A budget for estimated recurrent income and expenditure for the ensuing year.

- (a) Recurrent means items of income and expenditure needed in the day to day operations of the RSL sub-Branch, which is shown in the Statement of Comprehensive Income; this is distinct from capital expenditure which is shown in the Statement of Financial Position.
- (b) A recurrent budget brings the following advantages to a RSL sub-Branch:

- i. Informed decisions can be made on the viability of the RSL sub-Branch and the extent to which it can afford to implement and maintain certain programs and activities
- ii. the financial reports prepared by the treasurer during the course of the year can incorporate a comparative column to show how the sub-Branch is travelling in relation to its budget with actual income and expenditure. Comparisons of actual income and expenditure for previous years can also form part of the report
- iii. adjustments can be made to programs during the course of the year where there is a shortfall in estimated income, or estimates of anticipated income have been exceeded
- iv. the same applies to actual expenditure, which could exceed levels allocated in the budget (need to be curtailed or financed from another part of the budget), or conversely, expenditure in certain areas might be running well within budget and decisions made on what to do with any surplus
- v. Budgets can serve as important performance indicators.
- vi. Plan to maximise investment opportunities for funds surplus to needs.

A hard copy of the sub-Branch Budget Template is attached to this circular and an electronic copy of the Budget Template in Excel and Printable Form have been placed on the RSL NSW website in the Log-in section.

It should be noted By-Law 22, RSL Donations Policy for Sub-Branches and Subsidiaries, has been changed in respect to Donations. There has been a reduction from the 4 tier system to 3 tiers. The new template reflects those changes. It is advisable that sub-Branches acquaint themselves with the new template.

Sub-Branches or District Councils requiring a login and password should contact ANZAC House, Felicity Gatfield on (02) 9264 8188 extension 417.

Yours sincerely,

John Boyle
BUSINESS SERVICES
MANAGER