# Unit 3 - Financial management

## Overview

This unit describes the financial management arrangements that apply to a body corporate. At the end of the unit there will be an assessment where you will be asked to complete a questionnaire.

The question format will be multiple choice, yes/no or true/false. If you get a question wrong you will be directed to the correct answer. For a complete understanding of this unit, it is suggested you begin at Topic 1, however if you are confident you have a particular level of knowledge, you are free to begin at any topic.

Please note: In order to receive a statement of completion for this unit, you must achieve at least an 80% pass rate.

## Resources

In each of the topics listed below references to the relevant sections of the Act, the Standard Module Regulations. There will also be a Glossary of Terms at the end of the unit. References to the Act will be defined by a capital A followed by the section number e.g. **(A. s55)**. References to the Standard Module will be defined by a capital SM followed by the section number e.g. **(SM. s109)**. Additionally, you may be provided with links to other relevant information sources e.g., fact sheets and other legislation. References to adjudicator's orders will be defined firstly by the scheme name and then a reference to the order number and the year e.g. **(Sanctuary Bay-Order. 0012-2005)**. Links to all of the above will be provided under the "Links" heading in each topic.

## Topics Covered

- Topic 1: Body Corporate Financial Year
- Topic 2: Financial Institution Account
- Topic 3: Budgets
- Topic 4: The Administrative Fund and the Sinking Fund
- Topic 5: Contributions Levied on Owners
- Topic 6: Funds Administered by a Body Corporate Manager
- Topic 7: Statement of Accounts
- Topic 8: Audit
- Topic 9: Borrowing