



## **Financial Policies**

Badminton Oceania's (BOC) affairs should be managed in a prudent and strategic basis to ensure BOC's financial sustainability.

The Secretary General (SG) is responsible for the day-to-day financial management of BOC and shall carry out this duty in a manner which shall in no way threaten BOC's financial strength. Accordingly, they shall not:

- Utilise any of BOC's funds for purposes other than the furtherance of BOC's purposes and priorities as approved by the Executive Board (EB)
- Use restricted or 'tagged' contributions for any purposes other than those designated.
- Operate within a financial environment that is not broadly defined by an approved budget and which is not supported by BOC's policies.
- Approve expenditure which, although in keeping with BOC's policies, is beyond BOC's ability and budgeted resources to meet.
- Cause BOC to incur any indebtedness other than the regular accounts payable incurred in the approved process of running BOC.
- Settle payroll debts in anything other than a timely manner.
- Allow any one person alone to have complete authority over any of BOC's financial transactions.

BOC will operate with Internal Controls and Accountability in order to:

- Protect the assets of BOC
- Ensure the maintenance of records of BOC's financial activities
- Provide a framework of operating standards and behaviour expectations
- Ensure compliance with all legal and reporting requirements
- Provide reasonable assurance that any errors and irregularities are quickly discovered

### **Annual Audit**

- BOC to undergo an annual Financial Audit by an independent Auditor as approved by the Annual General Meeting.
- The Secretary General shall ensure compliance with all Auditor requests.
- Audited accounts to be approved by the Executive Board prior to sign off by the President and Deputy President
- The audited accounts to be presented to the Annual General Meeting for approval and shall be included in the Annual Report.
- The Executive Board shall receive any recommendations made by the Auditor and instruct Secretary General to implement if required.

## **Annual Budget**

BOC shall ensure robust budgeting systems and procedures are adopted to enable effective management and monitoring of BOC's operational performance and financial health.

The Secretary General (SG) is responsible for producing the annual budget considering the BWF grants and other known income for the following year. The budget is:

- To be presented to the Executive Board (EB) for approval at least one month prior to the start of the financial year to which it pertains
- To be presented in such a way as to make it easy to interpret and follow and shall comply with standard budget presentation formats
- To include composition of budgeted revenues
- To include composition of budgeted expenditure as aligned to the BWF financial reporting template
- Should project a breakeven situation or surplus of revenue over expenditure.
- Contain sufficient detail for the Board to understand on what assumptions or basis BOC's revenues and expenditures have been budgeted.
- To align with the annual plan and budget submitted to the BWF.
- To be approved by the EB following sign-off of the plans by the BWF.
- Presented to the BOC Annual General Meeting each year for information.

## **Reporting**

- Budgets should not be overspent by more than 10% without prior approval of the Executive Board (EB).
- In cases where the Secretary General (SG) foresees a greater overspend this must be reported to the EB prior to expenditure with an explanation of the proposed overspend and how this will be accommodated within the finances for the year.
- The SG to provide quarterly financial reports to the EB showing actuals against budget, with an accompanying financial report, within three weeks of the end of the quarter (March, June, September)
- The SG to provide the end of year accounts to the EB within four weeks of the end of the financial year prior to Audit.
- The SG to advise the President, in a timely manner, of any financial matter which will or could potentially have a significant impact on the organisation
- The SG to provide financial reports, documents, or any other information as requested by the EB within an agreeable timeline

## **Financial Systems**

BOC's Secretary General (SG) in conjunction with the Administration Manager (AM) shall ensure BOC has the appropriate financial systems and procedures in place to meet BOC's operational needs, management and financial reporting requirements, and internal controls. Specifically, they are required to:

- Review the financial systems at least annually to ensure they meet BOC's needs
- Ensure financial systems are able to record and report sufficient data to aid BOC's financial management

- Periodically review BOC's financial procedures to determine their ability to meet BOC's needs
- Ensure that the data and financial records pertaining to BOC are appropriately filed and held in storage for sufficient time

### **Expenditure Authorisation**

Authorisation of expenditure prior to payment

Approval Conditions:

- Cheques – any two to sign (subject to limits below)
- Online – any two to approve (subject to limits below)

<b>Type of Expenditure</b>	<b>Authoriser</b>
Invoices for budgeted expenditure up to the value of \$2,500	Administration Manager or Secretary General
Invoices for budgeted expenditure up to the value of \$50,000	Secretary General
Invoices for un-budgeted expenditure up to the value of \$5,000	Secretary General
Invoices for un-budgeted expenditure over \$5,000	President and Deputy President
Invoices over \$50,000	President and Deputy President
Salary or contract payments to staff other than the SG	Secretary General
Expense claim payments to staff other than the SG	Secretary General
Salary or contract payments to SG	President and Deputy President
Expenses claim payments to SG	President and Deputy President
Expense reimbursement and allowance payments to BOC EB members	Secretary General
Expense reimbursement and allowance payments to BOC members (players, coaches etc)	Secretary General

### **Procurement**

It is prudent that BOC acquires quality goods and services at the best possible cost.

Employing best practices around the selection of suppliers and the procurement of goods and services will ensure BOC derives the best value for money.

Any activities associated with the selection of suppliers and / or the procurement of goods and services for BOC should be conducted in accordance with the Expenditure Authorisation authorities as above

BOC should only engage in procuring goods or services from suppliers where:

- There is a specific need for the goods or services
- The goods and services and / or the terms of trade offered are not in any way considered unethical or illegal
- There are no conflicts of interest, undisclosed and / or unapproved related party relationships between the supplier and BOC

- Sufficient internal controls are put in place to manage and administer the procurement of goods and services

### **Receiving Gifts and Favours**

Acceptable business practice and behaviour in relation to the acceptance of gifts and the receipt of other favours in the capacity of representing Badminton Oceania should always be applied.

It is reasonable to accept nominal-value advertising gifts and to accept a reasonable level of hospitality within a business relationship during normal business practice. These can be construed as 'token' and therefore acceptable.

Other types of gifts and hospitality that can be viewed as 'substantial (ie value over NZD200)' and therefore, as a rule, not acceptable – such as accepting cash, holidays, travel and accommodation for personal use or substantial gifts.

### **Insurance**

To minimise and mitigate the impacts of risks on BOC's resources and its ability to fulfil its operational activities, BOC will secure sufficient and appropriate insurance cover.

BOC to have the following insurance policies:

- Material damage and loss to property – including any equipment located off-shore
- Business Interruption
- Travel – to cover all people carrying out work on behalf of BOC including Executive Board, Staff, Contractors, Technical Officials
- Association Liability
- Public Liability
- Any other relevant cover as determined by the Executive Board

### **Reserves Policy**

BOC is committed to maintaining sufficient reserves & restricted funds in order to ensure both the current and future sustainability of BOC specifically:

- A general reserve of NZ\$150,000 shall be maintained, being a level of funds required as a precautionary level of self-insurance against unexpected financial demands, or sudden loss of revenues.
- A continuity or cash reserve of NZ\$100,000 shall be maintained to cover any possible negative cash flows or any specific expenditure as determined by the EB
- Special reserves or restricted funds as required for specific projects

The Executive Board to determine

- The minimum reserves target(s) and the level of cash reserves required to support its operational needs.
- The criteria for which any excess reserves or restricted funds are able to be used.

In determining reserves or restricted fund targets, the EB shall acknowledge:

- any anticipated capital expenditure or long-term projects
- that increases in reserves and restricted funds need to be funded through the generation of operational surpluses, to be accumulated at the rate of 50% of any surplus from the end of year accounts.

### **Theft, Fraud and Corruption**

Fraud is defined as: dishonestly obtaining a benefit, or causing a loss, by deception or other unlawful and/or unethical means.

Corruption is defined as: the offering, giving, soliciting, or acceptance of an inducement or reward that may improperly influence the action of a person or entity. Examples of corruption include: bribery, conspiracy, extortion.

The Executive Board (EB) accepts that it has a responsibility to protect the physical and financial resources of Badminton Oceania. Through the Secretary General the EB is responsible for:

- Taking steps to deter and prevent fraud, theft and corruption by persons who are employed or contracted by BOC or who are service recipients of the organisation
- Respecting the rights of employees to report concerns and make protected disclosures about any concerns
- Making sure that individuals reporting their concerns in good faith and in a responsible manner do not suffer detrimental action as a consequence thereof, so that disclosures of wrongdoing are seen as a positive aspect of organisational culture
- Treating seriously any allegation of suspected fraud, theft or corruption
- Taking prompt action on all reported concerns, both to bring the activity to an end and to discourage others who may be inclined to similar conduct
- Being satisfied as to the facts of the case before initiating any disciplinary or legal action. This will involve a preliminary assessment, and where appropriate, investigation of the allegation
- Notifying the Police as warranted and / or appropriate
- Seeking legal or other advice on the matter where required
- Acting impartially, fairly, and equitably when handling cases of suspected fraud, theft or corruption, which includes having proper regard for the principles of natural justice and the avoidance of entrapment, bias, and favouritism
- Treating people consistently, regardless of their status, length of service, or position / title
- Co-operating fully with any investigations of alleged wrongdoing undertaken by external parties, such as an 'Appropriate Authority' as defined under the Protected Disclosures Act 2000, a Minister of the Crown or an Ombudsman
- Exercising good judgement based on the evidence gathered and act on that judgement in the interest of members, shareholders and the public
- Imposing and articulating strong deterrent penalties, including seeking prosecution and recovery of any losses, wherever possible and practicable
- Making details of successful prosecutions public wherever possible

BOC steps to control and mitigate the risk of fraud is outlined in the BOC financial procedures document

## **Anti-Terrorism**

BOC is committed to taking all reasonable efforts towards ensuring that it does not provide support to organisations that are listed by the Governments of our Members as terrorist organisations or engage any personnel with links to terrorism.

Reasonable steps to include:

- Confirming the identity, credentials and good standing of people and organisations that we employ, contract, partner or engage with
- Report any suspected terrorism related activity to the appropriate authorities in the country concerned

## **Investments**

Badminton Oceania shall endeavour to hold investments which generate consistent returns while carrying prudent levels of risk whilst avoiding any threat to BOC's financial security.

BOC shall only invest funds in organisations where:

- Those organisations being invested in have been approved by the Executive Board (EB)
- The terms of the investment meet the investment criteria approved by the EB following recommendations from the Secretary General
- Investment of those funds does not pose any risk to BOC's liquidity or ability to meet its day-to-day financial commitments during the investment period.

## **Petty Cash**

Badminton Oceania will keep a small petty cash float for general expenses, where it is not feasible to pay for those expenses via BOC's accounts payable

BOC will keep a petty cash float of no more than \$300 which will be securely stored in a locked box at all times.

Petty cash expenditure will:

- Be the responsibility of, and managed by the Administration Manager
- Be recorded in an accurate and prompt manner
- Be supported by a receipt or tax invoice where possible
- Only be used for general expenses of less than \$50
- Not be used for any advances, traffic fines or personal loans or expenses
- Be approved by the Secretary General, on submission of a petty cash float replenishment

The AM shall promptly report any irregularities in petty cash expenditures to the SG

## **Credit Cards**

Badminton Oceania may provide authorised staff members with a credit card if it is determined that a need exists. Staff issued with a credit card are responsible for the card and shall only utilise the facility in accordance with the policy

The BOC Executive Board will:

1. Authorise the credit card limit of the BOC Secretary General
2. Dictate policy in regard to any credit card reward schemes

The Secretary General will:

1. Authorise the issue of credit cards and card limits for individual staff members

The Finance Manager will:

- Implement the procedures for reviewing and approving the expenditure on credit cards
- Implement the procedures for checking the balances and use of the credit cards
- Implement the procedures for ensuring that credit cards are paid on time and that the correct balance is paid
- Ensure that the credit card expenditure is correctly accounted for and disclosed in the financial reports
- Maintain a register of the holders of the BOC's credit cards

Authorised staff shall use credit cards in a responsible manner. Specifically, they are required to:

- Only use the credit card for BOC related expenses. No expenditure of a personal nature is permitted
- Be aware that transactions incurred on the credit card are subject to audit and / or checking at any time and provide information and explanations of credit card use promptly
- Retain all receipts and tax invoices for goods and services charged on the credit card
- Not use the credit card to obtain cash drawdowns or advances
- Not attempt to alter the limit on their credit card without the approval of the SG
- Ensure expenditure is within their financial delegation
- Ensure the expenditure is within existing budgets
- Surrender the credit card on request of the Card issuer, the SG AM or upon leaving BOC
- Acknowledge and adhere to all Card issuer terms and conditions

BOC condones that credit cards be used for:

1. Travel related expenditure
2. Expenditure purchased via the internet or phone for which no other payment options are available
3. Other expenditure as prior approved

## **Travel and Expenses**

All travel bookings being made by BOC or on behalf of BOC, to be authorised by the Secretary General (SG)

All travel costs are to be approved by the SG

All travel to be in economy class and utilising the best available airfare; taking into account travel and transit times and other relevant factors

Points / Mileage earned on airline mileage, frequent flyer programs when travelling on behalf of BOC can be used for private purposes.



Any change / cancellation fees or costs that are incurred because of individual related changes / cancellations will be the responsibility of the individual concerned and will not be covered or reimbursed by BOC. BOC may seek to recover costs from the person concerned.

Where visas are required for travel, BOC will cover the costs incurred in obtaining these – with prior approval from the SG. It is the responsibility of the individual travelling to ensure they obtain/apply for the visa in good time. Any change of airfares or costs incurred due to non-procurement of visa will be the responsibility of the individual concerned.

### Airport Transfers

When BOC is meeting the travel cost and/or agrees to cover airport transfers the person travelling and BOC to discuss and agree the best suited and cost-effective arrangements with BOC meeting costs

### Accommodation

All accommodation bookings to be made by BOC unless otherwise agreed

BOC covers the accommodation / room charges as per the account but does not cover any other incidental expenses including laundry, gym, mini-bar, pay TV etc

The President and Deputy President to have single rooms  
All other personnel to have twin share rooms where practical

All accommodation to have breakfast included where provided on-site

All additional costs to be met by the individual unless prior agreed with BOC SG

### Daily Allowances

Daily allowances are to cover incidental costs such as below but not limited to:

- Mobile phone calls
- Internet
- Laundry
- Meals not provided by the host

Daily allowances to be paid upon agreement to the following personnel:

- Executive Board Members
- Staff/Contractors
- Contractors
- Technical Officials

The daily allowance is paid for the period covering the days of travel if over 4 hours and the day(s) of the meeting, event, activity

No daily allowance is payable if the meeting, event, activity does not involve the person to stay away from home



Amounts payable are AUD if the meeting, event or activity is in Australia, all other locations is NZD equivalent

### Expenses

Any additional expenses incurred must be approved prior to committing to the expenditure

Staff may claim additional expenses incurred to be able to perform their duties and as prior agreed – ie. internet, meals

### **Oceania Technical Officials Subsidies**

- Subsidies for International Travel are available for travel that is instigated by an invitation to a tournament through BOC or the BWF.
- Officials who arrange 'personal direct invites' to tournaments are not eligible for the subsidy.
- A subsidy will only be provided once per year per person, however additional subsidy payments may be made in special circumstances as determined by the SG and BOTOC
- A subsidy will be paid as per the subsidy amounts below or 50% of the cost of the airfare – whichever is the lower amount.
- Subsidy amounts (up to) are available for travel as follows:
  - Within Oceania Region \$250.00
  - Asia/USA \$750.00
  - UK/Europe \$1,000.00

Subsidy amounts are AUD for Australian officials. For all other officials the subsidy is NZD

- Officials who receive a subsidy but do not fulfil their obligations at National/ Pacific/Confederation or BWF Level will not be eligible for a subsidy in the following calendar year
- Subsidies are subject to budget availability and may be amended as and when required
- If a subsidy is paid and the recipient does not attend the tournament; BOC may request the subsidy paid to be reimbursed; if circumstances are such BOC to lodge a travel insurance claim.
- Oceania officials who are appointed to a tournament by their MA may apply for a BOC subsidy. This will be considered on a case-by-case basis and an amount may be awarded dependent on budget available.