

CEO FINANCIAL MANAGEMENT

Policy Type – GOVERNANCE

POLICY REF: G13

The CEO is responsible for the day-to-day financial management of Canoe Racing NZ and shall carry out this duty in a manner, which shall in no way threaten Canoe Racing NZ's financial strength. To ensure the affairs are managed on a prudent basis, the CEO shall:

1. Ensure that Canoe Racing NZ does not incur unauthorised indebtedness.
2. Develop an annual budget, which shall be approved by the Board.
3. Record all financial transactions using standard accounting practices.
4. Utilise funds solely for the furtherance of Canoe Racing NZ's purposes and objectives within the context of this policy.
5. Not allow ordinary operating expenses to become un-discharged debts beyond a three-month period from when incurred.
6. Use restricted or tagged contributions for designated purposes only.
7. Not allow any one person alone to have complete authority over any of Canoe Racing NZ's financial transactions.
8. At all times operate within a financial environment as defined by Canoe Racing NZ's approved budget and policies.
9. Pay staff on time.
10. Not approve expenditure which, although in keeping with the ends policies, is beyond Canoe Racing NZ's ability to meet.
11. Report any significant variances from budget figures to the Board.
12. Ensure that the accounts are audited yearly by an approved auditor.

Limits of Delegated Financial Authority

1. The CEO is authorised to approve any operating or capital transaction within an approved budget up to the value of \$^{NZ}50,000 subject to the specific limitations in this policy. Expenditure within an approved budget in excess of \$^{NZ}50,000 requires Board approval.
2. The CEO is authorised to spend \$^{NZ}5,000 on unbudgeted items without obtaining Board approval provided that such additional expenditure can be achieved within the budgeted limits established by the Board and the expenditure is consistent with Canoe Racing NZ's objectives and policies. Expenditure in excess of \$^{NZ}5,000 and any expenditure outside of budgeted limits requires Board approval.
3. The CEO may delegate DFA to selected staff members for approved budget transactions for values not to exceed \$^{NZ}25,000. Except that the CEO may delegate the full CEO DFA to an

employee for the sole purpose of being the second approver for internet banking transactions.

4. The CEO is authorised to approve revenue contracts up to a value of \$20,000 and a term not in excess of 12 months without obtaining Board approval provided that the contracts adhere to Canoe Racing NZ's objectives and policies. Revenue contracts, with a value in excess of \$20,000, and any contracts with a term in excess of 12 months must be reviewed by the Audit and Risk Committee and require Board approval.
5. All SPARC agreements and investment schedules for SPARC investment over \$20,000, must be reviewed by the Audit and Risk Committee and require Board approval.
6. All grant and funding applications require Board approval however applications for specific costs that are less than \$^{NZ}50,000 may be retrospectively ratified at the first available Board meeting after the application has been lodged.
7. The CEO is authorised to approve all other contracts up to a value of \$20,000 and a term not in excess of 12 months without obtaining Board approval provided that the contracts adhere to Canoe Racing NZ's objectives and policies and are within an approved budget. All contracts with a value greater than \$20,000 and any contracts with a term in excess of 12 months must be reviewed by the Audit and Risk Committee and require Board approval.
8. All bank documents that commit CRNZ to an obligation, irrespective of term or value, require Board approval.
9. Any employment termination costs that are not expressly provided for in the relevant employment contract require Board approval.
10. The specific financial approval conditions and limitations in the CRNZ M06 Travel Policy take precedence over this Financial Management Policy.