Financial Authority Policy

Purpose

Ensure prudent, transparent financial management, clear approval limits, and disciplined treasury practices to safeguard cash, liquidity, and banking risks.

Scope

This Policy applies to the Business North West (BNW) Executive Committee, Treasurer, General Manager (GM), contractors, and volunteers handling BNW funds.

Key Roles

- BNW Executive Committee hold the ultimate financial oversight responsibility for the organisation, The Committee approves policies, annual budgets, banking arrangements, investment settings, and any borrowings.
- Finance & Risk Committee monitors and manages financial performance as outlined in the Charter.
- Treasurer holds the responsibility:
    - as an authority on the bank account to authorize payments,
    - to oversee the development of the annual budget and work programme prepared by the GM,
    - to provide financial reports at each Committee and Sub-Committee meeting,
    - to provide annual Treasurer reports for the annual report,
    - to ensure the end of year accounts are prepared under the guidance of the GM,
    - to ensure that the auditor is appointed, engaged and completes the annual audit
    - To present the annual accounts at the Annual General Meeting, and
    - To oversee the development of any financial policies, strategies and delegations.

- Chair holds the responsibility as an authority on the bank account to authorize payments where the Treasurer is unavailable.
- GM holds the responsibility:
    - to implement this policy,
    - to prepare annual budgets, cash flow forecasts and monthly reports,
    - to manage accounts payable and ensure payments are loaded for authorization
    - to manage banking admin,
    - to maintain signatory lists,
    - to establish new bank accounts as directed,
    - to ensure compliance with the BID Policy 2025, and
    - to manage aged receivables to a 30 day limit.

Delegations

- Executive Committee: The board holds all delegations for financial allocations and setting of the annual budget.
- General Manager: The GM holds approval to purchase and engage contractors to deliver works as approved in the adopted annual budget. The GM may open and close bank accounts are approved by the Executive Committee.

Approvals and Payments

- The Accounts Administrator is required to load all invoices into Xero.
- By the 10th day of the month the Accounts Administrator will submit a Creditors summary to the GM to approve payments and Xero codings.
- Once the GM has approved the creditors, the Accounts Administrator will load the payments into Kiwibank and seek authorization from the Treasurer. Where the Treasurer is unavailable, the Chair will be contacted for authorization.
- At no point can the requester be the approver.

- The GM has approve to use the debit card to pay for office incidentals such as toilet paper, soap, and other consumables.
- The GM has authority to approve transfers between bank accounts to maintain credit a $1,000 balance on the debit card.

Procurement

- Where an annual budget has been adopted, the GM holds authority to seek quotes to fulfil the work. The GM will decide how many quotes are required prior to accepting the preferred quote. The Executive Committee may seek to view quotes and request additional quotes at any time.
- The GM holds delegated authority of up to $3,000 for repairs and maintenance and supplies as allowed for within an adopted annual budget.
- The GM is not allowed to place the organisation into liabilities in which it cannot honour.
- No members of the Executive Committee have authority to spend money on behalf of the organisation prior to a resolution.

Revenue, Invoicing and Credit Control

- All accounts payable invoices must be received within 5 working days of delivery or month end.
- Debtor follow-up at 14 and 30 days.
- A monthly Budget Variance report is to be provided to the Executive Committee board meetings. All variances must be documented in the financial report prepared by the GM.