



Approved 24 November 2017

THE BALLET FOUNDATION OF NEW ZEALAND TRUST

Financial Policy

1. Purpose:

To inform trustees and those undertaking administrative processes¹ on behalf of the Foundation of:

- the processes related to management of the Foundation's money and accounts;
- the limits on incurring liabilities on the Foundation's behalf without approval of all trustees;
- the processes to be followed before undertaking travel or incurring other expenses on Foundation business; and
- the entitlement and processes for reimbursement for incurred expenses.

2. Bank Accounts:

The Foundation's bank account is with Westpac Banking Corporation at Courtney Place, Wellington, account number: 03 0584 0197969 00. The Chief Financial Officer of the RNZB ("CFO"), or his delegate, will be primarily responsible for managing and monitoring this account and any others, including term deposits, which the Foundation authorise him to open.

In accordance with the MoU with the RNZB, the CFO will provide an update on the balances of any accounts for each meeting of trustees of the Foundation.

All trustees may have a viewer access on this account and the CFO will coordinate this, although it is the responsibility of each trustee to complete the required documentation to enable this to happen. The CFO may also designate employees of the RNZB to have viewer access of this account for management and coordination purposes.

All expenditure from this account must be authorised by least two signatories.²

3. Role of the Chief Financial Officer of the RNZB:

In addition to managing the bank accounts as referred to above the CFO will assist the Foundation in preparing its annual budget and providing financial updates against that budget to each meeting of the trustees of the Foundation, along with other tasks as may be deemed appropriate in accordance with the MoU between the RNZB and the Foundation.

¹ at the date of this policy, these authorised persons include Allison Groves and Matt Connelly of the RNZB, in accordance with the MoU between the Foundation and the RNZB

² authorised signatories as at the date of adoption of this policy are Matt Connelly, Susie Lees-Jeffries, Jane Meares and Louise Binns. (Resolved at the date of adoption of this policy that Ann-Louise Gower to become a signatory.)

4. Foundation investments:

The Foundation has appointed Craigs Investment Partners to invest surplus Foundation funds into a balanced portfolio under its Discretionary Investment Management Service in accordance with arrangements entered into in February 2017. The Investment Policy Statement dated 22 February 2017 supersedes the SIPO dated December 2014. In accordance with these arrangements this Investment Policy Statement will be reviewed annually and reporting on these investments to the Foundation trustees will be provided by Craigs no less frequently than six monthly.

5. Tax and GST

The Foundation, as a charitable trust, is not liable for income tax. Nor is it registered for GST. Accordingly, to the extent possible, expenses appropriately incurred by the Foundation and which include an element for GST will be paid for by the RNZB and then on-charged by the RNZB to the Foundation on a GST-exclusive basis.

6. Foundation events and Trustees incurring expenses on behalf of the Foundation

Where a trustee has primary responsibility for organising, or coordinating, a Foundation function, he or she will prepare a draft budget and submit it to the Chair and CFO as far in advance as possible. Budgets will also be submitted to board meetings. The purpose of this will be to ensure that any cash flow needs from the Foundation are able to be planned for and that any expenses which will need to be incurred are approved.

Expenses relating to a function will, where possible, be paid for by the RNZB and reimbursed by the Foundation to take account of the GST advantages.

Expenses directly incurred by a trustee in relation to a function will be reimbursed if they accord with the submitted and approved budget.

7. Approval of expenses

The Chair may approve the Foundation incurring expenses up to [\$500] without prior approval from a board meeting or circulated trustee approval.

8. Trustee Expenses generally:

The policy of the Board is that the following expenses are recoverable by a trustee:

- Reasonable travel expenses in relation to attendances at Board meetings
- Reasonable travel expenses where the attendance of a trustee is required at a function or performance out of his or her city of residence
- Reasonable accommodation expenses where it is necessary to stay overnight in order to attend a Board meeting or a function or performance at which the attendance of the trustee is required
- Other reasonable expenses incurred which are necessary in order to perform the trustee's functions and duties. Where practicable, prior approval to these expenses should be obtained from the Chair.

9. Travel arrangements:

Trustees are encouraged to make bookings at least two weeks prior to meetings/events and to seek to incur the lowest costs, acknowledging that we are a charitable foundation.

10. Budget and Approval:

Any claim for reimbursement of expenses described in this policy must be made to the CFO, include evidence of payment and a GST receipt and be copied to the Chair (or in the case of a reimbursement claim by the Chair, copied to the Deputy Chair, if one has been appointed, or another trustee if one has not).

It is acknowledged that trustees may waive reimbursement of any costs to which they would otherwise be entitled under this policy.

11. Taxis & Parking:

It is normal for a taxi to be used from arrival at the destination airport to the relevant location. Taxis costs may be reimbursed and trustees will endeavour to ensure no unnecessary duplication of travel (or transfers to and from airports) occurs.

12. Accommodation:

Where it is necessary to stay away from home overnight, requirements should be discussed with Foundation trustees or the RNZB, who may be able to arrange accommodation or appropriate bookings at the RNZB's preferred accommodation suppliers. Bookings will be made as standard-room rate only. Trustees are therefore responsible for settling any other charges before departure from the accommodation.

13. Entertainment generally:

Hospitality reimbursements will not be given unless pre-arranged. In such cases, the Foundation may decide to pay for hospitality against receipt of donations from a trustee.

This policy will be reviewed every two years.

Next review date: November 2019