

Tumbler Ridge Community Forest Corp.



Company Policy		Department:	Finance	Policy #: POL - 05	
		Revision #:	0	Page #:	1 of 2
		Implementation Date:		April 15, 2013	
Subject:	Financial Approval Process and Capitalization of Corporate Assets	Last Reviewed/Update Date:		April, 22, 2013	
Approval:	Original signed by	Author:		Duncan McKellar	

1. Purpose

To establish clear and unambiguous policies for Directors, financial and operations staff to follow regarding the approval process for invoicing, cheques signing and the process for capitalizing a assets for TRCF.

2. Scope

This policy applies to Directors and the finance staff and Operations Manager for TRCF. This policy includes components typically or often required for finance and managerial staff but does not provide an exhaustive, comprehensive list of procedures for all situations. The TRCF will update policies as required.

3. Prerequisites

It is the responsibility of all TRCF Directors, financial and management staff to act in good faith in following the intent of this policy.

4. Conduct

The Directors, financial and management staff shall:

- a) act honestly and in good faith with the primary consideration to the best interest of TRCF;
- b) act ethically and with integrity regarding all financial matters.
- c) promptly respond to tasks involving financial transactions.
- d) comply with all applicable laws and regulations including all of TRCF policies, guidelines and Board decisions.

5. Responsibilities

The following outlines the requirements for approving invoices, signing of cheques and the capitalization of assets for TRCF.

5.1 Operations Manager Invoice approval

- a) Invoices from the contracted Forest Operations Manager shall be reviewed and approved by the Chairman.

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- b) In absence of the Chairman, the Vice Chairman shall approve the Forest Operations Manager invoices.
- c) Once approved, the invoices will be forwarded to payroll for processing.
- d) Bookkeeping is responsible to keep a copy of all invoices.

5.2 Company Invoice Approval

- a) All invoices (except for those mentions in 5.1 above) will be signed for approval by the Forest Operations Manager. These include contracted services such as bookkeeping or other internal contracted services.
- b) Once approved with signature and appropriate account coding, invoices will be forwarded to accounts payable for payment.
- c) Bookkeeping is responsible to keep a copy of all signed invoices.

5.3 Signing of Cheques

- a) Any two of the company Directors have signing authority to sign outgoing cheques. Copies of the corresponding invoice are to be provided to Board members for review prior to cheque signing.

5.4 Capitalization of Company Assets

- e) Items purchased by the company over \$500 will be considered a company asset and will be capitalized.

7. References

Guidance from KPMG Auditors 2013 – Tumbler Ridge

8. Definitions

TRCF - Tumbler Ridge Community Forest Corporation.