

GUIDELINE FOR OVERSEAS TRAVEL



1. Purpose

This Guideline provides Clubs with information that will assist them in planning and justifying overseas travel by directors, management or staff. It will also help to maximise the benefits to the club of overseas travel.

2. Application

This guideline applies to all Boards of Clubs, their management teams and staff from 1 July 2005.

3. Definitions

“Overseas travel” means travel for Club-related purposes from Australia to an overseas country where travel costs (including expenses and allowances) are either fully or partially met by the Club, or where the costs of overseas travel for official duties are funded from other sources (e.g. fee for service activities, full costs covered by a conference organiser, grants and other funds).

4. Guiding principle

Clubs should exercise economy, accountability and transparency in relation to overseas travel, and at all times seek from it tangible benefits for the Club.



5. Approval of Overseas Travel

Directors and managers should provide a justification for any planned overseas travel that clearly sets out:

- a) the proposed travel itinerary;
- b) the purpose and objectives of the travel;
- c) expected benefits from the travel; and
- d) the estimated cost including airfares and other travel costs, accommodation and living expenses, meal and other allowances and incidentals.

Overseas travel should only be approved if it is considered necessary to the pursuit of the Club's objectives. In considering applications for overseas travel Boards should be satisfied that:

- a) the sites to be visited/investigated on the trip are closely related to the individual's area responsibility. For example, travel associated with attending gambling sites should be restricted to those directors or managers with responsibility in that area of Club operation;
- b) all sites investigated are relevant to Club trading activities or planned capital works (such as renovations or extensions);
- c) the Club has openly identified those directors or managers entitled to travel;
- d) other avenues for obtaining the information, knowledge or experience sought have been considered. However, it is determined that in order to properly evaluate a new concept that is relevant to Club activities (i.e. one that has been successful overseas) Board representative(s) need to see it in operation. Having seen it, Board representative(s) will be in a better position to evaluate and report on its merits; and
- e) the regularity of overseas trips is not excessive.

All overseas travel should be planned and budgeted for in accordance with the Club's capacity to pay.



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Expenditure on overseas travel should be regarded as discretionary.

All overseas travel applications should be considered and ultimately approved by the Board.

6. Travelling Expenses

Those representing their Club on overseas trips should ensure that their expenses are reasonable and justifiable. At all times economy should be exercised.

Clubs should set and document appropriate limits for the following expenditures:

- a) airfares should be at economy class rates (with upgrade to business class only considered for journeys of longer than 5 hours duration);
- b) accommodation should be at a standard equivalent to that used for domestic travel; and
- c) meals and incidentals – a guide to appropriate rates is published annually by the ATO in its ruling dealing with reasonable travelling allowances amounts. **Taxation Ruling TR 2003/7—Income tax: reasonable allowances amounts for the 2003–04 income year.**

7. Overseas Travel Reports

As a condition of official overseas travel, the director or manager should provide a report to the Board on return from an overseas trip. The following elements should be included in a report:

- a) Dates of travel and places visited;
- b) Objectives of the trip;
- c) Details of expenses incurred by the Club;
- d) Benefits to the Club and its members; and
- e) Recommendations and/or action plans arising from the overseas trip.

8. Informing members

Section 41H(c) of the Registered Clubs Act requires Clubs to provide to members in writing each year details (including the main purpose) of any overseas travel by a Club **director or employee** in an official capacity including associated costs met by the Club.

Refer to *ClubsNSW Best Practice Guideline for Financial Reporting* for further information on this requirement.

9. Overseas travel as an inducement to purchase goods or services

Inducements of overseas travel should not influence Club procurement decisions. For further information Clubs should refer to the *ClubsNSW Best Practice Guideline for the Procurement of Goods and Services*.

10. Employment contracts and overseas travel

Employment contracts for Club employees (including Senior Executives) may include an entitlement to overseas travel. However, this entitlement should be subjected to analysis as detailed above and be regularly reviewed. For further guidance on remuneration policy, please refer to the ClubsNSW Guideline for Executive Remuneration.