

INVOICE POLICY



The Capitol Directors and team are committed to ensuring that the best interests of the bodies corporate that we represent are protected. This policy outlines Capitol's processes around payment of body corporate invoices (payments to gardeners, cleaners, plumbers etc.), and the approval of those payments by the committee.

Payment timeframe

- The turnaround time for payment of invoices is ten (10) business days from date of receipt of the invoice in an approved format
- This allows time for a committee member to approve payment of an invoice and for Capitol to then process the approved invoice payment

Invoice Approval Hub

- By the end of 2017, all invoice payments will need to be approved by at least one committee member prior to release of payment
- Capitol is progressively introducing a free online system for committees to approve supplier invoices – the Invoice Approval Hub
- This system gives greater control to the committee and increases speed of payment to the supplier
- This system is available to all committees immediately upon request and will otherwise be introduced gradually at committee meetings or the body corporate's next annual general meeting

Approval process

- Capitol will arrange for a committee member to approve supplier invoices (either using the invoice approval hub or by email or mail)
- For committees that do not use the invoice approval hub, a fee of \$10.00 plus GST per invoice approved will be payable by the body corporate. This fee is for the additional time involved in processing manual approvals.

Submitting invoices to Capitol

- Capitol accepts invoices via the following methods
 - By mail to:
PO Box 326,
Alderley Qld 4051
 - Delivered in person at any Capitol office
 - By email attachment to creditors@capitolbca.com.au in the following format:
 - Attached PDF
 - Attached Microsoft Word

INVOICE POLICY



- The following formats are discouraged. Invoices submitted in these formats will be processed but may experience a delay in payment due to the requirement for printing and scanning manually by our team:
 - Microsoft Excel files
 - Photographs of invoices (jpeg, tiff, bmp etc.)
- The following formats cannot be accepted and therefore cannot be paid
 - Invoice details typed directly in to email content
 - Zip files (.zip)
 - This is due to email security parameters; viruses are easily transmitted through .zip files
 - Web links to download/save an invoice
 - Suppliers must provide an invoice for payment. Sending an email linking to an external site where an invoice can be downloaded does not constitute provision of an invoice.
 - The Australian Government has published the 'Australian Government Information Security Manual 2016'. In order to protect our clients' personal information stored on our servers from cyber-attack, Capitol has adopted the recommendations contained in this federal government manual.
 - Our invoice processing team does not click external links.

Invoice compliance with the Australian Taxation Office (ATO)

The body corporate is not permitted to pay invoices that do not meet the minimum ATO invoice requirement. The body corporate committee is required to manage the body corporate finances in the best interests of all lot owners and without negligence. Payment of an incorrect or incomplete invoice may be considered mismanagement of body corporate funds and the committee members may be held liable. For this reason, Capitol will not pay supplier invoices on behalf of the body corporate if it is identified that they do not comply with the ATO invoice requirements, set out below.

- The invoice must be addressed to: 'Body corporate for BUILDING NAME CTS NUMBER'
- The invoice must include:
 - The words 'INVOICE' or 'TAX INVOICE'
 - Supplier business name
 - Supplier ABN
 - The date the invoice was issued
 - Description of the work or goods supplied
 - Price (correctly totalled)
 - GST amount, or that the amount is GST inclusive, or GST exempt
 - For invoices over \$1,000 – the body corporate's street address.
 - Creditor payment details (bank account details, BPAY etc.)

INVOICE POLICY



What happens if an invoice does not meet the requirements under this policy?

If Capitol identifies that an invoice does not meet the requirements under this policy, the invoice will be rejected and will not be paid.

Where possible, the person or business who sent the invoice to Capitol will receive a response explaining that payment cannot be made unless a compliant replacement invoice is supplied. The committee will also be notified of the rejected invoice, at the same time that the supplier is notified.

Owner reimbursement

Body corporate members (owners) or committee members may seek reimbursement from the body corporate where they have outlaid their own personal funds on behalf of the body corporate with prior written approval from the body corporate committee. For example, a committee member may be authorised by the body corporate to purchase garden fertiliser from a hardware store that is used to fertilise the common property gardens.

Owners or committee members seeking reimbursement must submit a reimbursement request form by using either the online form or downloading the pdf version on the Capitol website: <http://www.capitolbca.com.au/resource-centre/online-forms/reimbursement-request/>.

- The form must be completed in full for each instance of reimbursement
- The person seeking reimbursement must supply evidence of the outlay (tax receipt, invoice marked as paid, bank statement)
- The person must also supply the bank account details or cheque payment details for reimbursement each time
- Reimbursements are effectively treated as an invoice and must be approved by the committee before payment is processed

To avoid payment to old or incorrect bank details, Capitol will insist on the full details in writing for each instance of reimbursement.