

FINANCIAL REGULATIONS

Approved by the Executive Board on 11 February 2026

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1. BASIS

1.1. Scope

The scope of the Financial Regulations is to define the principles and protocols of management of World Climbing resources, including those of the Continental Councils.

The document is approved by the Executive Board and shared with the General Assembly. It may be completed by more detailed annexes, such as operational and internal policies describing protocols of certain areas or bodies.

1.2. References

The Financial Regulations shall refer to the Statutes in force approved by the General Assembly.

1.3. Keeping of accounts

Keeping of accounts is managed internally, under the responsibility of the VP Finance and the guidance of the HR & Administration Director. The HR & Administration Department is responsible for keeping the accounts in good order, ensuring that the Financial Regulations and their annexes are respected and implemented in all circumstances.

Bookkeeping is managed on a dedicated accounting system and the following persons have access:

- President, read only rights, upon request;
- VP Finance, read only rights;
- Secretary General, read only rights;
- HR & Administration Director, editing rights;
- HR & Administration Department personnel involved in bookkeeping operations, editing rights according to the role;
- Treasurers of the Continental Councils, read only rights and limited to the relevant Continent account, if available;
- Appointed Auditors, read only rights, upon request and limited to the duration of their mandate.

No other person is authorised to access the system.

1.4. Principles of accounting

World Climbing has its legal seat in Bern, Switzerland. The yearly Financial Statements are prepared on an accrual basis in accordance with the requirements of the financial reporting framework in Switzerland. The audited Statements are approved by Executive Board and the General Assembly each year.

The financial year is one (1) year, beginning on 1 January and ending on 31 December of that year.

The currency of reference for annual accounting purposes is the Euro. However, cash accounts and transactions may be in other currencies than EUR.

1.5. Risk and Finance Commission

The Risk and Finance Commission is an advisory body established to provide recommendations related to risk management and financial oversight. The Risk and Finance Commission may receive the mandate to give advice on the financial procedures, according to the scope and activities defined in the Commissions Terms of Reference (TOR) document.

2. FINANCIAL PROCEDURES

2.1. General

The President remains the sole legal representative of World Climbing. However, designated members of the Executive Board and of the Staff may be delegated to commit expenditures in accordance with the limits and areas of responsibility established by the *Delegation of Authority* document approved by the Executive Board.

2.2. Storage of documents

The HR & Administration Department shall store all documents supporting the payments (bills, purchase orders, reimbursement claims, receipts, etc.) in a precise and timely manner in the Federation's archive.

Such documents must be available any time to facilitate the financial monitoring processes.

2.3. Purchases

Purchasing procedures are outlined in the *Purchasing Policy*, with the aim to secure the most appropriate materials, supplies, equipment, and services within the limits set in the approved annual budget and consistent with the quality requirements and delivery needs of the organisation.

The Policy applies to all the members of the Executive Board and Staff, as well as whoever requires a purchase. The HR & Administration Department oversees the implementation of the Policy, processing the purchase orders and complying with the rules described.

2.4. Control of customer invoices

The HR & Administration Department takes care of raising invoices and recording their payment. Each invoice must be supported by the relevant Agreement and / or the Fee System in force at the time of the invoice.

The accounting system is set to send automatic invoice reminders after the due date (unless other specific agreements are in place).

Under exceptional circumstances, the HR & Administration Director may, with the prior approval of the VP Finance, agree on detailed payment plans to support debtors in meeting their financial obligations.

If a debtor fails to respond to invoice reminders and proposed payment plans, the Executive Board may decide to take further actions. For National Federations, such actions may include suspension of membership in accordance with Article 8.4.1 of the Statutes.

2.5. Travel expenses and compensation

Travels of the Officers (Board Members, Staff, Contractors including appointed Officials) must be justified by a valid reason to attend a specific event / meeting.

Travel authorisation process, procedure for booking and reimbursement request, as well as travel standards and arrangements are detailed and regulated by the following documents:

- *Executive Board Travel and Compensation Policy;*
- *Staff Travel Policy;*
- *Contractors Travel Policy;*
- *Commissions Travel and Compensation Policy.*

Each document provides a clear procedure to cover travel expenses incurred to perform the Federation's activities. The Executive Board Travel and Compensation Policy, in addition to setting travel expenses reimbursement regulations, defines the terms of the Executive Board members' financial compensation in accordance with what established in the Statutes.

The HR & Administration Department oversees the implementation of the Policies. All Officers are expected to behave in full compliance with the relevant Policy. Failure to comply with the Policies may result in the total or partial denial of reimbursement of expenses.

2.6. Payments

Bank transfers

The *Delegation of Authority* document defines the persons authorised to executed bank transfers and the limits.

Credit cards

The *Delegation of Authority* document defines the persons authorised to hold a business credit card.

All cardholders are responsible for the use of the card under their name and are requested to follow the policies. In addition, they are asked to keep the original receipts of all transactions and give them to the Administration personnel, whether in digital or paper copy, within 15 days from the payment date to ensure the correct recording on the accounting system. In case a cardholder does not provide the receipts, he/she may be asked to reimburse that amount to the Federation. The immediate hierarchical superior of the cardholder shall be responsible for the review and formal sign-off of monthly credit card statements, accompanied by the supporting receipts. The VP Finance reviews and signs off the President's credit card statement.

Cash withdrawal is authorised only under exceptional circumstances, that is when cash is the only accepted payment method by the service provider. In this case, both the withdrawal and the cash payments receipts must be kept. The remaining cash shall be returned to the HR & Administration Department, which will record it into the cash register.

Card holders travelling to events are not entitled to the use of the business card for the same expenses already covered by the daily allowance (meals, incidentals, and minor expenses as described in the relevant Travel Policy).

In case of inappropriate use of the card (non-compliance with the policies, unauthorised expenditures, repeated missing receipts, etc), such card may be suspended and costs must be reimbursed by the user.

Cash register

A small cash register may be kept at the Headquarters for exceptional use.

The HR & Administration Department manages the register and records incoming / outgoing cash payments. All transactions in cash must be duly recorded in the accounting system and shall be supported by the relevant receipts.

2.7. Expense advances

Officers who do not hold a credit card may request a reimbursement advance for the expenses to be borne during a mission. Such requests must be submitted in written to the HR & Administration Department. If approved, the advance will be transferred to the bank account of the Officer via wire transfer. Upon conclusion of such mission, the Officer will send the list of the actual expenses and the relevant receipts to the Administration personnel. In case the advance exceeds the actual expenses, the Officer will either reimburse the difference or keep the advance for future missions.

2.8. Telephone expenses

The President and the Staff of the Federation may receive a business mobile phone for the performance of their work. The mobile and internet subscription associated to that phone shall be managed by the HR & Administration Department, which shall find the most suitable contract for the operations.

All the other Officers are responsible for the costs of their own mobile phone and its subscription.

2.9. Hardware and equipment

World Climbing is the sole owner of its assets. All office and computer equipment and appliances must be registered as assets with a unique identification number and are subject to an annual depreciation. The inventory of the assets is updated with the current value at the end of each fiscal year.

All Officers are required to take good care of the assets and use them for business purposes only.

In case of malfunction or disruption of the assets, the HR & Administration Department is informed immediately and contacts the relevant provider to restore the correct functioning.

Assets used out of the Headquarters shall be duly tracked and must be returned at the end of the mission.

In case of termination of a mandate or employment agreement, all assets shall be returned immediately.

3. BUDGET

3.1. Budget preparation

The annual provisional budget is prepared throughout Q4 of the previous fiscal year.

The VP Finance, together with the Secretary General and the HR & Administration Director, are responsible for coordinating the compilation of the provisional budget and presenting it to the Executive Board.

Directors of each Department are called to contribute to the preparation of their department internal budget. The HR & Administration Director receives all the figures, prepares the final document and, with prior consultation with the VP Finance and the Secretary General, presents it to the Executive Board for approval.

Revenues and costs considered in the budget shall follow the Federation's mission and objectives as outlined in the Statutes, as well as in the Strategic Plan approved by General Assembly.

Revenues are estimated according to the principle of prudence. They are calculated on previous years actual revenues and on an accurate forecast of future revenues. Similarly, the calculation of the expected costs shall consider the result of previous years, as well as other detailed potential expenditures.

In the preparation of the budget, a provision for risk and allocation of funds dedicated to specific projects, should also be considered when possible.

3.2. Budget approval

After receiving the approval of the Executive Board, the budget is submitted and presented to the General Assembly who finally validates it during its annual gathering.

A quarterly report on the status of the finances and the implementation of the budget will be made available to the Executive Board.

3.3. Budget control

The approved budget is subject to internal quarterly controls, which shall include:

- monitoring the execution of the approved budget;
- comparison between estimated and actual incomes / expenditures;
- release of the up-to-date Profit and Loss, compared to the budget and year-end forecast, for distribution to the Executive Board.

Department Directors may request the Profit and Loss and accounts transactions of their departments between the quarterly controls to facilitate the monitoring of the activities.

3.4. Budget revision

Variances from the approved budget are analysed by the VP Finance, Secretary General, and HR & Administration Director. In the event of major variances between the actual and budgeted incomes and expenditures or of a proven budget overrun, a budget revision shall be submitted to the Executive Board for their approval.

4. INFORMATION AND INTERNAL CONTROL

4.1. Internal control

The VP Finance is responsible for the financial internal control, ensuring the compliance with all the polices and regulations in a timely and accurate manner.

The VP Finance is supported by the HR & Administration Department in the implementation of the internal control processes.

4.2. Internal audit

The Executive Board may appoint an individual or a committee to perform internal audit functions, including monitoring internal controls, reviewing compliance, and liaising with the external Independent Auditor. These functions shall be executed independently and reported directly to the Executive Board. To preserve independence, no employee of the organisation shall be eligible for appointment to this role.

4.3. General accounting

The accounting recording system aims to ensure the best possible reliability through compliance with the following procedures:

- verification of the expenditure approval protocol before payment;
- systematic reconciliation of payable invoices with purchase orders and quotes;
- regular monitoring of all accounts payable and receivable balance.

4.4. Cash flow

Bank transactions are recorded and reconciled in the accounting system at least monthly. Cash flow forecasts are revised quarterly.

In the event of a negative cash flow, the VP Finance may request a review of the incoming and outgoing payments schedule.

4.5. Budget control

The internal budget control and potential revision, if needed, follow the procedures described in 3.3 and 3.4 above.

4.6. Information

The VP Finance, with the support of the HR & Administration Director, presents the quarterly budget control and the financial situation to the Executive Board.

At the end of the financial year, the audited Financial Statements (Balance Sheet, Profit and Loss, Notes) are submitted to the Executive Board for approval. Once approved, the Statements are distributed to the Member Federations with the General Assembly full Agenda and are finally subject to the GA vote.

The Risk & Finance Commission may receive copy of the quarterly reports in advance for their consideration and review.

The Financial Statements can be accepted in digital format.

5. INFORMATION AND EXTERNAL CONTROL

5.1. Independent Auditor

The General Assembly shall elect a reputable and independent firm of auditors as Auditor for a term of one (1) year until the completion of the next Ordinary General Assembly to audit the accounts of World Climbing. The same firm of auditors shall not be eligible for re-appointment after five (5) consecutive years of service.

The accounts shall be audited on an annual basis in accordance with the International Standards of Auditing (ISAs).

External auditing procedures include:

- identification and assessment of the risk of material misstatement of the financial statements;
- understanding of internal control procedures;
- evaluation of the appropriateness of accounting policies;
- control of the correct use of basis of accounting;
- verification of the overall presentation, structure, and content of the financial statements.

The Auditor presents the independent Auditor's report to the General Assembly prior to the vote on the Financial Statements.

The audited annual Financial Statements shall be preliminarily approved by the Executive Board before submission to the General Assembly. The Risk and Finance Commission may be invited to meet the independent Auditor ahead of the publication of the audited Financial Statements.

6. CONTINENTAL COUNCILS

6.1. Continental Councils finances

In accordance with what established in the Statutes, World Climbing has the ultimate responsibility for the Continental Councils' finances and compliance with the auditing principles adopted.

The Continental Councils have financial autonomy within the framework, timeline, and limits set by the Executive Board, ensuring that all financial documents applying to Continental Councils receive validation of the Executive Board prior to their publication.

The Continental Councils shall adhere to the Financial Regulations. Financial procedures are detailed in the relevant annexes which form an integral part of the Regulations. Any other financial document or policy not included in the Financial Regulations and not approved by the Executive Board is deemed invalid.

Each Continental Council shall appoint an individual within their Board (Treasurer or a different Board member) in charge of overseeing full compliance with the World Climbing regulations, policies, and protocols in force.

Continental Councils accounts are subject to the internal and external auditing procedures as described in this document.

The annual statements of the Continental Councils are part of the Financial Consolidated Statements approved by the General Assembly.

6.2. Continental Councils accounts

Keeping of accounts is managed by the HR & Administration Department, under the responsibility of the VP Finance.

Continental Councils shall provide the HR & Administration Department with all the necessary information and documents to keep the accounts in good order, ensuring that the Financial Regulations and their annexes are respected and implemented in all circumstances.

Each Continental Council may request to have a dedicated bank account.

The Office and the Continental Councils shall collaborate for the implementation of the financial processes. The respective responsibilities are described in 6.3.

6.3. World Climbing and Continental Councils sharing of duties

Continental Councils shall:

- Monitor accounts payable and receivable in their area of competence and according to the approved budget;
- Verify the accuracy of accounts payable (reimbursement forms and bills) following the policies in force;
- Send instructions to raise invoices and make payments;
- Provide semestral financial reports (30 June and 31 December) to the Executive Board;
- Cover the costs of the accounting system, when a dedicated account exists.

The Office, and specifically the HR & Administration Department, shall:

- Keep the accounts of the Continental Councils in good order and up-to-date;
- Raise invoices;
- Execute payments;
- Provide support in the compilation of the semestral financial reports or other internal report, when needed.

6.4. Continental Councils Budget

Continental Councils are asked to provide an annual budget for their activities according to the framework and timeline set by World Climbing. The budget is subject to the validation of the VP Finance and is part of the Federation's budget presented to the General Assembly.

Rules of the compilation of such budget shall follow the procedures set in the Financial Regulations.

7. COMPLIANCE WITH THE FINANCIAL REGULATIONS

7.1. Non-compliance with the Regulations

All World Climbing Bodies and Officers must act in compliance with the Financial Regulations. Failure to comply with the Regulations, in particular in the event of unauthorised expenses, may result in disciplinary sanctions and proceedings.

8. ANNEXES

The following documents regulate the policies and protocols in force and shall form an integral part of the Financial Regulations:

- I. Delegation of Authority
- II. Purchasing Policy
- III. Executive Board Travel & Compensation Policy
- IV. Staff Travel Policy
- V. Contractors Travel Policy
- VI. Commissions Travel & Compensation Policy
- VII. Officials Honoraria
- VIII. Continental Financial Procedures

The list of annexes may be reviewed and updated according to the organisation's needs. All annexes are subject to approval by the Executive Board and may also require approval by the General Assembly in the cases described in the Statutes.