Tawasul Foundation Financial Management Policy

Policy number	TP005	Version	1.0
Drafted by	Ninos Hozaya	Approved by Board on	10/03/2024

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1. Policy Statement

1.1. Tawasul Foundation is committed to maintaining the highest standards of financial integrity, transparency, and accountability. This policy outlines the framework and procedures by which the organisation's Responsible People (Committee members) will manage its financial affairs in a responsible and diligent manner, ensuring compliance with all legal and regulatory obligations, including the Associations Incorporation Reform Act 2012 and ACNC Governance Standards.

2. Purpose

The purpose of this policy is to:

2.1. Ensure the responsible and ethical stewardship of all financial resources entrusted to Tawasul Foundation.

2.2. Provide clear guidelines for the management of the organisation's funds.

2.3. Safeguard the assets of the organisation.

2.4. Maintain public trust and confidence in Tawasul Foundation.

2.5. Ensure compliance with relevant legislation and the organisation's governing Rules.

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3. Scope

3.1. This policy applies to all Responsible People of Tawasul Foundation, including all Committee members, and any staff or volunteers involved in financial transactions or record-keeping.

4. Policy

4.1. Accountability: All financial decisions and actions must be transparent and justifiable.

4.2. Integrity: Financial affairs must be managed honestly, ethically, and in the best interests of the Association.

4.3. Diligence: Responsible People must exercise reasonable care and diligence in all financial matters.

4.4. Compliance: Adherence to the Associations Incorporation Reform Act 2012, the Association's Rules, and other relevant legal requirements is mandatory.

4.5. Purpose-driven: All funds and assets must be applied solely towards furthering the charitable purposes of Tawasul Foundation.

5. Key Responsibilities

5.1. Committee (Collectively)

5.1.1. Ensure the Association complies with the *Associations Incorporation Reform Act 2012* and its Rules.

5.1.2. Ensure individual Committee members comply with these Rules.

5.1.3. Exercise powers and discharge duties with reasonable care and diligence, in good faith, and for a proper purpose.

5.1.4. Oversee and approve significant financial expenditures and strategies.

5.2. Treasurer

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5.2.1. Receive all moneys paid to or received by the Association and issue receipts.

5.2.2. Ensure all moneys received are paid into the Association's account within 5 working days of receipt.

5.2.3. Make payments authorised by the Committee or a general meeting.

5.2.4. Ensure cheques are signed by at least two Committee members.

5.2.5. Maintain financial records in accordance with the Act.

5.2.6. Coordinate the preparation and Committee certification of financial statements.

5.2.7. Ensure all other Committee members have access to the accounts and financial records.

6. Financial Management Procedures

6.1. Financial Record Keeping

6.1.1. The Association must keep financial records that correctly record and explain its transactions, financial position, and performance.

6.1.2. These records must enable the preparation of true and fair financial statements as required by the Act.

6.1.3. All financial records must be retained for a minimum of seven (7) years after the transactions are completed.

6.1.4. The Treasurer is responsible for the custody and control of financial records for the current financial year and any other authorised financial records.

6.2. Management of Funds

6.2.1. All expenditure of the Association must be made from, and all revenue deposited into, a single account with a financial institution.

6.2.2. Expenditure must be approved by the Committee, subject to any restrictions imposed by a general meeting.

6.2.3. The Committee may authorise the Treasurer to expend funds up to a specified limit without requiring individual Committee approval for each item.

6.2.4. All negotiable instruments (e.g., cheques) must be signed by at least two (2) Committee members.

6.2.5. A petty cash fund may be maintained for minor and incidental expenses, with all transactions recorded by the Treasurer.

6.3. Financial Reporting

6.3.1. For each financial year, the Committee must ensure all requirements under the *Associations Incorporation Reform Act 2012* relating to financial statements are met.

6.3.2. This includes the preparation, and if required, the review or auditing of financial statements.

6.3.3. Financial statements must be certified by the Committee, submitted to the Annual General Meeting, and lodged with the Registrar as required.

6.4. Conflict of Interest

6.4.1. As per Rule 65 of the Tawasul Foundation Rules, a Committee member with a material personal interest in a matter being considered at a Committee meeting must disclose their interest to the Committee.

6.4.2. The interested member:

6.4.3. Must not be present while the matter is being considered at the meeting.

6.4.4. Must not vote on the matter.

6.4.5. The Committee must maintain a conflict of interest register to record:

6.4.6. The name and position of the member who has disclosed an interest.

6.4.7. A description of the nature and extent of that interest.

6.4.8. A management plan documenting actions required to mitigate the conflict.

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7. Review of Policy

7.1. This Financial Management Policy will be reviewed periodically by the Committee to ensure its ongoing effectiveness and compliance with current legislation and best practice.

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