



**Partners in Aid**

AUSTRALIA

## FINANCE POLICY

### Version control & review

| Version | Date         | Distribution  |
|---------|--------------|---|
| 1.0     | <2015        | Board members; website link   |
| 2.0     | June 2016    | Board members; Committee members; Partner Organisations, website link |
| 3.0     | January 2018 | Board members; Committee members; Partner Organisations, website link |
| 4.0     | April 2020   | Board members; Committee members; Partner Organisations, website link |

### 1. Background

Partners in Aid exists to support in-country projects designed and implemented by our overseas Partner Organisations and thereby help enable communities in India, Sri Lanka, and the Philippines to improve their quality of life. We do this through raising funds in Australia and dispersing these to our Partner Organisations overseas in accordance with our Partnership Agreement and Partnership Policy. We account for the funds raised to our donors via regular and transparent report processes. We also have risk management procedures in place to ensure the safe and accountable handling of donated funds.

### 2. Purpose

This policy outlines the methods by which Partners in Aid will manage funds raised in Australia and report to stakeholders on the financial status of the organisation and the use of funds raised from donors.

### 3. Scope

This policy applies to all funds raised by or held by Partners in Aid.

### 4. Procedures

#### 4.1 Banking and Investment Accounts

- 4.1.1 In order to comply with the Deductible Gift Recipient (DGR) requirements and therefore maintain tax deductibility status, Partners in Aid shall maintain a bank account called the “overseas account” into which all donations must be banked.
- 4.1.2 Partners in Aid shall maintain a second bank account from which all

expenses and outgoings are deducted.

- 4.1.3 Partners in Aid shall maintain a term deposit account which shall be, as a minimum, an amount of \$50 per member, which is to cover the liability of members should the organisation be wound up (per the articles of association).
- 4.1.4 Partners in Aid shall, as deemed necessary by the Board, maintain an interest-bearing account into which funds are transferred and held until they are required.

## **4.2 Authority to Make Transactions**

- 4.2.1 The signature of two authorised Board members is required on all cheques that are issued by Partners in Aid.
- 4.2.2 Where payment is made using online transfers, two authorised Board members are required to sign off on the payment.
- 4.2.3 The signatures of two authorised Board members are required for any changes to be made to bank accounts.
- 4.2.4 Board approval is required prior to any external payments in excess of AUD500 being made and appropriate notes in the minutes should reflect this.
- 4.2.5 For any expenditure greater than AUD1,500 three independent quotes must be obtained and appropriate notes in the minutes should reflect this.
- 4.2.6 Internal transfers of money from Partners in Aid e-Commerce accounts to the Partners in Aid bank account can be initiated by one authorised Board member.

## **4.3 Financial Reporting**

- 4.3.1 The Board of Partners in Aid is to be kept apprised of the financial status of the organisation with regular reporting throughout the year, to enable the Board to make prudent decisions on project funding.
- 4.3.2 The accounts and physical financial records of Partners in Aid are to be handed to the authorised accountant for review and audit annually at a time that allows for the timely return prior to the Annual General Meeting.
- 4.3.3 The accountant/auditor shall prepare the Annual Financial Reports, which will comply with company law requirements.
- 4.3.4 The Treasurer in conjunction with the auditor shall prepare the reports required to comply with the ACFID Code of Conduct Financial Reports.
- 4.3.5 The Annual Financial Reports shall be presented at the Annual General Meeting and be made available for viewing on the Partners in Aid website, and all supporters and members shall have access to a copy should they request it.

4.3.6 At the Annual General Meeting a motion must be passed to approve the auditor/accountant for the coming financial year.

## **5. Review**

This policy will be reviewed after 5 years.

## **6. Relevant Partners in Aid Policies**

- Partners in Aid Fundraising Policy
- Partners in Aid Risk Management Policy
- Financial Wrongdoing Policy
- Prevention of Funding of Terrorist Groups