

NSW - CENTRAL WEST MUSLIMS ASSOCIATION INCORPORATED

Financial Management Policy

The NSW - Central West Muslims Association Incorporated (NSWCWMA) is dedicated to serving its community by providing religious and social services. As a non-profit organization, NSWCWMA relies on the support of its members and donors to fulfill its mission. To ensure the responsible and ethical management of its financial resources, NSWCWMA has established this Financial Management Policy.

Purpose

The purpose of this policy is to establish guidelines and procedures for the financial management of NSWCWMA. This policy aims to ensure transparency, accountability, and compliance with relevant laws and regulations.

Roles and Responsibilities

The president: The president is responsible for overseeing the financial management of NSWCWMA. This includes approving the annual budget, financial statements, and major financial decisions.

Treasurer: The Treasurer is responsible for maintaining accurate financial records, preparing financial reports, and ensuring compliance with financial policies and procedures.

Finance Committee: A finance committee may be established to assist the Treasurer and the President in financial matters. The committee may include members with financial expertise and experience.

Budgeting

NSWCWMA will prepare an annual budget that includes projected income and expenses for the fiscal year. The budget will be reviewed and approved by the President before the start of the fiscal year. Any significant deviations from the budget must also be approved.

Financial Reporting

NSWCWMA will prepare monthly, quarterly, and annual financial statements. The financial statements will include a balance sheet, income statement, and cash flow statement. The financial statements will be reviewed by the Treasurer and the Finance Committee before being presented to the President.

Internal Controls

NSWCWMA will establish and maintain internal controls to safeguard its assets and ensure the accuracy of its financial records. The internal controls will include procedures for approving and recording financial transactions, reconciling bank accounts, and preventing fraud and embezzlement.

Receipt & Payment Procedures

NSWCWMA will ensure that there is no embezzlement at the time of payment & receipt of funds while ensuring below mentioned measures:

- **Designate Authorized Personnel:** Clearly define who within the organization is authorized to handle payments and receipts. This should include specific roles and responsibilities for staff or volunteers involved in financial transactions.
- **Receipt of Funds:** When funds are received, ensure that proper documentation is created. This could include issuing receipts, recording the transaction in a ledger, and preparing a deposit slip if the funds are to be deposited in a bank account.
- **Cash Handling Procedures:** If cash is received, establish procedures for counting, securing, and depositing the cash. This should include guidelines for how often cash should be deposited and who is responsible for making deposits.
- **Check Handling Procedures:** If checks are received, establish procedures for endorsing, recording, and depositing checks. This should include guidelines for how often checks should be deposited and who is responsible for making deposits.
- **Electronic Payments:** If electronic payments are accepted, establish procedures for processing these payments securely. This may include using a secure payment gateway or service provider.

- **Segregation of Duties:** Implement a system of checks and balances to ensure that no single individual has control over all aspects of the payment and receipt process. This could include having different individuals responsible for receiving funds, recording transactions, and making deposits.
- **Record Keeping:** Maintain accurate and up-to-date records of all financial transactions. This could include using accounting software or a manual ledger to record income and expenses.
- **Review and Audit:** Regularly review and audit the organization's financial records to ensure compliance with established policies and procedures. This could include conducting internal audits or hiring an external auditor.
- **Compliance with Legal and Regulatory Requirements:** Ensure that the organization complies with all relevant legal and regulatory requirements, including tax laws, reporting requirements, and any other applicable laws or regulations.
- **Training and Education:** Provide training and education to staff and volunteers involved in financial transactions to ensure they understand their roles and responsibilities and are aware of the organization's financial policies and procedures.
- **Continuous Improvement:** Continuously evaluate and improve the organization's payment and receipt procedures to ensure they are efficient, effective, and compliant with best practices.

These procedures will be monitored by the Treasurer of NSWCWMA to ensure transparency & accuracy.

Fundraising and Donations

NSWCWMA will establish guidelines for fundraising activities and accept donations in accordance with applicable laws and regulations. Donors will be provided with receipts for their donations, and NSWCWMA will maintain records of all donations received.

Conflict of Interest

NSWCWMA will ensure financial transactions are conducted in an ethical and transparent manner. All members, officers, and employees will be required to disclose any conflicts of interest and recuse themselves from decisions involving those conflicts.

Legal and Regulatory Compliance

NSWCWMA will ensure compliance with all relevant laws and regulations governing non-profit organizations in New South Wales, Australia, including but not limited to the following:

- Australian Charities and Not-for-profits Commission (ACNC)
- Charitable Fundraising Act 1991 (NSW)
- Corporations Act 2001 (Cth):
- Taxation Laws:
- Australian Accounting Standards:
- Financial Reporting Requirements:
- Trustee Act 1925 (NSW)
- Any Other Legislation

Review and Revision

This financial management policy will be reviewed annually by the President and revised as necessary to ensure its effectiveness and relevance.

The NSW - Central West Muslims Association Incorporated is committed to maintaining the highest standards of financial management and governance. This policy serves as a framework to guide NSWCWMA's financial activities, ensuring transparency, accountability, and compliance with all relevant laws and regulations.

The President, Treasurer, and Finance Committee will work together to implement and monitor this policy, reviewing it annually to ensure its effectiveness and relevance. By adhering to these guidelines, NSWCWMA aims to fulfill its mission and serve its community in the most responsible and ethical manner possible.

This policy is a living document and may be updated as needed to reflect changes in NSWCWMA's operations, legal requirements, or best practices in financial management. It is the responsibility of all members of NSWCWMA to familiarize themselves with this policy and to adhere to its principles in their financial activities.