FINANCIAL MANAGEMENT POLICY

Policy Category	Date Approved	Review Schedule	Next Review
Governance / Stewardship	21 July 2026	Two Years	21 July 2028

1. Purpose

This policy establishes the financial management principles and controls of the Steve Farrelly Foundation (Foundation) to ensure:

- Funds are used solely to further the Foundation's charitable purposes.
- Financial transactions are conducted with integrity, transparency, and accountability.
- Appropriate authorisation and segregation of duties are maintained.
- Financial risks are minimised.
- Accurate financial records are maintained.

2. Policy Statement

The Foundation will:

- Manage funds prudently and responsibly.
- Maintain accurate and complete financial records.
- Ensure expenditure is properly authorised.
- Comply with legal, taxation, and reporting requirements.
- Protect Foundation assets from misuse, fraud, or loss.
- Operate within approved budgets wherever possible.

2. Roles and Responsibilities

Board of Trustees

The Board is responsible for oversight of the Foundation's financial affairs, approving annual budgets, monitoring financial performance, approving significant or unbudgeted expenditure and ensuring appropriate internal controls are maintained.

Treasurer (where appointed) or any Person authorised by the Board:

The Treasurer or a person authorised by the Board may review financial report, monitor cash flow and financial performance, assist with budget preparation and report financial matters to the Board. Neither of these roles replaces the collective responsibility of the Board.

3. Invoice Submission Requirements

To support efficient processing and cash flow management:

- Suppliers, contractors, and service providers must submit invoices to the Foundation by the

10th day of each month.

- Invoices received on or before the **10th day of the month** will be scheduled for payment on or before the **20th day of that month**.
- Invoices received after the **10th day of the month** will normally be processed and paid on or before the **20th day of the following month**.
- Exceptions may be approved where required due to urgency, contractual obligations, or exceptional circumstances.

The Foundation does not guarantee payment outside these timeframes unless otherwise agreed.

5. Approval of Expenditure

All expenditure must:

- Be for a legitimate Foundation purpose.
- Be supported by appropriate documentation.
- Be within approved budget allocations where applicable.

No person may approve expenditure that directly benefits themselves without disclosure and management of any conflict of interest.

Any expenditure not included in an approved budget may only be authorised by two Trustees and must not exceed NZ$500. Any unbudgeted expenditure exceeding NZ$500 requires prior approval of the Board of Trustees, recorded in Board minutes or by written resolution.

6. Payment Authorisation

Dual Approval Requirement

To protect Foundation funds, all payments must be approved by **two authorised persons** before payment is made.

The two approvers should, wherever possible, be Trustees or persons specifically authorised by Board resolution.

The following controls apply:

- No individual may both initiate and solely approve a payment.
- Supporting documentation must be reviewed before approval.
- Electronic approvals are acceptable where they provide an auditable record.

Exception

A payment may be authorised by fewer than two authorised persons only where:

- The Board has expressly approved the exception; and
- The approval is documented in Board minutes or a formal written resolution.

Any such exception must be clearly recorded and retained with the payment records.

7. Reimbursement of Expenses

Reasonable and properly incurred expenses may be reimbursed where:

- The expense relates directly to Foundation business.
- Original receipts or supporting evidence are provided.
- The reimbursement is approved in accordance with this policy.

Trustees seeking reimbursement must not be the sole approver of their own claim.

8. Banking Arrangements

The Foundation will:

- Maintain bank accounts in the Foundation's name.
- Limit access to authorised persons approved by the Board.
- Review banking authorities whenever Trustee or authorised personnel changes occur.
- Use electronic banking where appropriate and secure.

9. Financial Records

The Foundation will maintain accurate records including:

- Bank statements.
- Invoices and receipts.
- Payment approvals.
- Contracts and grant documentation.
- Financial reports.
- Board-approved budgets.

Records shall be retained in accordance with applicable legal and regulatory requirements.

10. Financial Reporting

The Foundation will prepare financial reports periodically, including:

- Income and expenditure summaries.
- Bank balances.
- Budget comparisons where relevant.
- Significant financial commitments and liabilities.

Financial reports should be presented to the Board at regular meetings.

11. Budgeting

The Board will seek to approve an annual budget that:

- Supports the Foundation's strategic objectives.
- Reflects anticipated income and expenditure.
- Provides for prudent management of reserves where appropriate.

Expenditure outside approved budgets may require specific Board approval.

12. Fraud Prevention

All persons acting on behalf of the Foundation must act honestly and ethically, safeguard Foundation funds and assets, report suspected fraud, theft, misuse of funds, or financial irregularities immediately to the Chair.

Any suspected fraud will be investigated promptly and may be referred to relevant authorities where appropriate.

13. Conflict of Interest

Financial decisions must comply with the Foundation's Conflict of Interest Policy.

14. Policy Review

This policy will be reviewed every two years or sooner if required by changes in legislation, accounting requirements, or Foundation operations.

Signed:

Trina Lincoln

Date: 21 July 2026