
Asian Australian Lawyers Association Inc.
(Reg. No. A0060052T / ARBN 604 922 812)

Consolidated Financial Policy
(CFP)

Finance and Membership Subcommittee

Prepared By: National Treasurer

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PART 1 PRELIMINARY

1. Name

- 1.1 The name of the incorporated association is "ASIAN AUSTRALIAN LAWYERS ASSOCIATION INC." (**Association**).

2. Purposes

- 2.1 The purposes of this Consolidated Financial Policy (**CFP**) are to:
- (a) set policies and procedures that are consistent with the objectives of the Association;
 - (b) ensure the maintenance of accurate records of the Association's financial activities and provide a framework of operating standards; and
 - (c) promote prudent financial management compliance as per the relevant Accounting Standards and legal requirements governing Not for profit organisations.
- 2.2 Any exception or amendment to this CFP may only be made by Ordinary Resolution of the Executive Committee.
- 2.3 A complete review of the CFP shall be conducted annually by the National Treasurer, in consultation with the National President, National Vice-President, National Deputy President, and National Secretary.

3. Financial Year

- 3.1 The Financial Year of the Association is each period of 12 months ending on 30 June.

4. Definitions

- 4.1 Capitalised terms used in this CFP have the meanings below. Capitalised terms not defined below will have the same meanings given to them in the Constitution of the Association.

Accounting Standards means a set of policies as defined in section 9 of *Corporations Act 2001* (Cth) (**Act**).

Association Account means an account opened by the Association at a financial institution that holds an Australian Banking Licence or Australian Financial Services Licence.

Association Budget means a consolidated budget prepared for a Financial Year which includes National and Branch Budgets.

Business Days means working days or days excluding weekends, public or bank holidays, where businesses are operating as usual.

Claim for Reimbursement means a claim or request submitted to the Association for money to be paid back to a relevant Committee Member for expense incurred and paid by that Committee Member on behalf of the Association.

Claim for Reimbursement Form means the form as set out in Annexure A.

Corporate Membership means a category of Membership not for individuals and designated for businesses, organisations or corporations which can consist of up to five (5) persons who are employees of that business, organisation or corporation.

Corporate Members means persons with existing Corporate Memberships.

Membership Revenue means all moneys made from Membership sales.

Not for profit organisations means organisations that provide services to the community as their main objective and do not operate to make a profit for their Members.

Reimbursement means a sum of money paid back to a Committee Member for an expense incurred and paid by that Committee Member on behalf of the Association.

Surplus means the positive difference between income and expenses in a financial year.

PART 2 ROLES

5. National Treasurer

- 5.1 The National Treasurer must:
- (a) receive all moneys paid to or received by the Association and issue receipts for those moneys in the name of the Association;
 - (b) ensure that all moneys received are paid into the Association Account within 5 Business Days after receipt or as soon as reasonably practicable;
 - (c) make any payments authorised by the Executive Committee or a Branch Committee in accordance with this policy or by a General Meeting of the Association from the Association's funds;
 - (d) ensure electronic transactions are approved by at least 2 Executive Committee Members;
 - (e) ensure that the financial records of the Association are kept in accordance with the Act;
 - (f) oversee the activities of the Branch Treasurers; and
 - (g) coordinate the preparation of the financial statements of the Association and their certification by the Executive Committee prior to their submission to the Annual General Meeting of the Association.
- 5.2 The National Treasurer must ensure that at least the National President, National Vice-President, National Deputy President, National Secretary and Branch Treasurers have access to the accounts and financial records of the Association.
- 5.3 The National Treasurer may, with the approval of at least two of the National President, National Vice-President, National Deputy President, and National Secretary, appoint one or more National Finance Officers to assist the Finance and Membership Subcommittee.
- 5.4 The National Treasurer may, with the approval of the Executive Committee, engage a bookkeeper to assist the Finance and Membership Subcommittee.

6. Branch Treasurer

- 6.1 A Branch Committee may, by Ordinary Resolution, appoint the Branch President, Branch Secretary or another Branch Committee Member to be the Branch Treasurer.
- 6.2 The Branch Treasurer must:
- (a) receive relevant moneys paid to or received by the Branch on behalf of the Association and issue receipts for those moneys in the name of the Association;
 - (b) ensure that relevant moneys received are paid into the Branch Account (if applicable, otherwise the Association Account) within 5 Business Days after receipt or as soon as reasonably practicable;
 - (c) make any payments authorised by the Executive Committee or the Branch Committee or by a General Meeting of the Association or by a Branch Meeting from the Branch's funds;
 - (d) ensure electronic transactions are approved by the National Treasurer and Branch Treasurer;

- (e) ensure that the financial records of the Branch are kept in accordance with the Act; and
- (f) ensure that the National Treasurer has access to the accounts and financial records of the Branch.

7. Finance and Membership Subcommittee

- 7.1 The National Treasurer is the director of the Finance and Membership Subcommittee which comprises the National President, National Vice-President, National Deputy President, National Secretary, all Branch Treasurers, and any other Member appointed by the Finance and Membership Subcommittee.
- 7.2 Each Branch Treasurer is to report on a quarterly basis to the National Treasurer on Branch finance activities and progress against the Association Budget and the relevant Branch Budget.

PART 3 FINANCIAL MATTERS

8. Management of funds

- 8.1 Subject to any restrictions imposed by a General Meeting, the Executive Committee may approve expenditures on behalf of the Association.
- 8.2 The Executive Committee may authorise the National Treasurer to expend funds on behalf of the Association (including by electronic funds transfer) up to a specified limit without requiring approval from the Executive Committee for each item on which the funds are expended.
- 8.3 All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments must be signed and electronic transactions approved by 2 Executive Committee Members.
- 8.4 All funds:
 - (a) of the Association (other than funds which may be deposited into a Branch Account in accordance with this CFP) must be deposited into the Association Account; and
 - (b) which may be deposited into the Branch Account in accordance with this CFP must be deposited into the Branch Account,no later than 5 Business Days after receipt or as soon as reasonably practicable.
- 8.5 With the approval of the Executive Committee, the National Treasurer may maintain a cash float provided that all money paid from or paid into the float is accurately recorded at the time of the transaction.

9. Bank Account

Association Account

- 9.1 Subject to clause 9.8, the Association must open and maintain an account with a financial institution from which expenditures of the Association are made and into which the Association's revenue is deposited (**Association Account**).
- 9.2 The Association may maintain separate bank accounts for operating expenses (**Operating Account**) and savings (**Cash Reserve**) account.

- 9.3 The Operating Account shall maintain sufficient funds to meet all anticipated expenditures. Generally, a balance of between \$30,000 and \$40,000 is sufficient at the beginning of each Financial Year.
- 9.4 The Association must maintain a Cash Reserve of \$30,000.00 in the Association's savings account.
- 9.5 The Cash Reserve may be used to replenish the Operating Account when necessary and to receive excess funds from the Operating Account when available.
- 9.6 Any payments made from the Association Account must:
- (a) comply with the Petty Cash (clause 15) and Reimbursement (clause 16) provisions; and
 - (b) be co-approved by;
 - (i) the National Treasurer; and
 - (ii) the National President, National Vice-President, National Deputy President, National Secretary or relevant Branch Treasurer.

Branch Account

- 9.7 A Branch Committee may, by Ordinary Resolution, open a Branch Account.
- 9.8 Any Branch Account must be opened by the National Treasurer at the same financial institution as the Association Account.
- 9.9 The National Treasurer must ensure that at least the National President, National Vice-President, National Deputy President, National Secretary and the relevant Branch Treasurer have access to the accounts and financial records of each Branch.
- 9.10 Any payments made from a Branch Account must:
- (a) comply with the Petty Cash (clause 15) and Reimbursement (clause 16) provisions; and
 - (b) be co-approved by;
 - (i) the National Treasurer; and
 - (ii) the relevant Branch Treasurer.
- 9.11 A Branch Committee may retain surpluses in its Branch Account. Where the Branch Committee retains a surplus in a Financial Year (**Branch Surplus**):
- (a) the Branch Surplus will be deducted from the amount that can be claimed by the Branch under clause 14.2 (**Base Amount**) until the Base Amount is exhausted,
 - (b) if the Branch Surplus is equal or greater than the Base Amount then the Branch may retain that surplus however, no funding will be provided under clause 14.2 in that financial year.

Bank Account Reconciliations

- 9.12 Association Account and Branch Account reconciliations are to be completed quarterly.
- 9.13 Unallocated deposits will be reviewed and investigated to determine the source of deposit. Where the source cannot be identified, the deposit will be allocated and recorded as suspense account (a general ledger account in which amounts are temporarily recorded) to keep these funds separate.

10. Financial records

- 10.1 The Association must keep financial records that:
- (a) correctly record and explain its transactions, financial position and performance; and
 - (b) enable financial statements to be prepared as required by the Act.
- 10.2 The Association must retain the financial records for 7 years after the transactions covered by the records are completed.
- 10.3 The National Treasurer must keep in his or her custody, or under his or her control:
- (a) the financial records for the current Financial Year; and
 - (b) any other financial records as authorised by the Executive Committee.
- 10.4 Each Branch Committee and Branch Treasurer must ensure that the National Treasurer is promptly provided with all information required to enable the Association and the National Treasurer to comply with clauses 10.1 to 10.3.

11. Financial statements

- 11.1 For each Financial Year, the Executive Committee must ensure that the requirements under the Act relating to the financial statements of the Association are met.
- 11.2 Without limiting clause 11.1, those requirements include:
- (a) the preparation of the financial statements;
 - (b) if required, the review or auditing of the financial statements;
 - (c) the certification of the financial statements by the Executive Committee;
 - (d) the submission of the financial statements to the Annual General Meeting of the Association; and
 - (e) the lodgment with the Registrar of the financial statements and accompanying reports, certificates, statements and fees.
- 11.3 Each Branch Committee and Branch Treasurer must ensure that the National Treasurer is promptly provided with all information required to enable the Association to comply with clauses 11.1 and 11.2.

12. Association Budget

- 12.1 The Association Budget for the financial year is to be prepared by the National Treasurer and the Finance and Membership Subcommittee.
- 12.2 The Association Budget is a consolidation of the National Budget and each Branch Budget.
- 12.3 The Association Budget will outline the expected or estimated revenue and expenditure for the upcoming Financial Year.
- 12.4 The Branch Treasurer will prepare a Branch Budget for his or her respective Branch for the upcoming Financial Year and submit it to the National Treasurer before the current Financial Year end.
- 12.5 The National Treasurer will submit the Association Budget to the Executive Committee for

review and approval before the current Financial Year end.

- 12.6 The Association Budget will be reviewed quarterly and may be adjusted as necessary to reflect the changing conditions. The Executive Committee must approve any proposed changes to the Association Budget.
- 12.7 The Finance and Membership Subcommittee must prepare a progress report against the Association Budget to the Executive Committee on a quarterly basis.

PART 4 FUNDING ALLOCATION

13. National Budget

- 13.1 The Association must provide in the Association Budget appropriate and sufficient funds for the Association's national activities and operations for each Financial Year based on the revenue and expenditure projection submitted in the National Budget and approved by the Executive Committee.
- 13.2 The National Budget will receive 100% allocation of funds collected by the Association from the Corporate Membership category. The funding allocation in the National Budget must be made based on the results produced in the audited financial statements for the relevant Financial Year.
- 13.3 In addition to clauses 13.1 and 13.2, the Executive Committee may also submit applications for Petty Cash expenditure pursuant to clause 15.1(c) during the Financial Year.

14. Branch Budget

- 14.1 The Association must provide in the Association Budget appropriate and sufficient funds for each Branch for each Financial Year based on the revenue and expenditure projection submitted in the Branch Budget and approved by the Executive Committee.
- 14.2 Subject to clause 9.11 and 14.4, the base or minimum level of funding within a Financial Year for each Branch is \$3,000.
- 14.3 In considering any amendment to the base or minimum level of funding provided in clause 14.2, the Executive Committee must consider:
 - (a) the results produced in the financial statements from the previous Financial Year; and
 - (b) the sustainable maintenance of the Operating Account and Cash Reserve pursuant to clause 9.
- 14.4 In addition to clauses 14.1 and 14.2, each Branch Committee may also submit applications for Petty Cash expenditure pursuant to clause 15.1(c) during the Financial Year.

PART 5 PROCEDURES

15. Petty Cash

- 15.1 The Association must only allow a proposed item of Petty Cash expenditure to be paid if the following requirements are met:
 - (a) The item of Petty Cash expenditure must be paid, or proposed to be paid, by a Branch Committee, Branch Committee Member, Executive Committee or Executive Committee Member;

- (b) Subject to clause 15.1(d), if the item of Petty Cash expenditure:
 - (i) is equal to or less than \$750 – the item of Petty Cash expenditure does not require pre-approval by the Executive Committee; or
 - (ii) is greater than \$750 – the item of Petty Cash expenditure requires pre-approval by the Executive Committee (**Petty Cash Threshold**).
 - (c) The total amount of Petty Cash expenditure a particular Branch (including Branch Committee Members from that Branch) may claim in a Financial Year is \$3,000.
 - (d) Any item of Petty Cash expenditure, calculated on a net basis, to be paid for an event or initiative that is within the amount received by the Association as sponsorship or confirmed ticket money at the time the item of Petty Cash expenditure is proposed, does not require pre-approval by the Executive Committee.
 - (e) The item of Petty Cash expenditure to be paid must be reasonable, having regard to the purposes of the Association and the financial position of the Association.
- 15.2 For the purposes of Petty Cash (this clause), *pre-approval by the Executive Committee* means authorisation by the Executive Committee, as evidenced by Ordinary Resolution of the Executive Committee at an Executive Committee Meeting or by agreement of a majority of Executive Committee Members in writing.

16. Reimbursement

- 16.1 The Association must only grant a Claim for Reimbursement if the following requirements are met:
- (a) Subject to clause 16.1(d), the person claiming reimbursement must submit a completed Claim for Reimbursement Form (**Annexure A**) to the National Treasurer within 3 months of the expense being incurred and, in any event, before the end of the Financial Year.
 - (b) If the reimbursement is in relation to Branch expenditure in line with and as per the approved Association Budget for the relevant Financial Year, then the person claiming reimbursement must submit a completed Claim for Reimbursement Form to the Branch Treasurer within 3 months of the expense being incurred and, in any event, before the end of the Financial Year.
 - (c) The completed Claim for Reimbursement Form must attach:
 - (i) all invoices and/or proof of payment that are, in the National Treasurer’s reasonable opinion, a sufficient audit trail for the preparation of the Association’s financial accounts; and
 - (ii) if Executive Committee approval:
 1. is required for the Claim for Reimbursement – proof of Executive Committee approval; or
 2. is not required for the Claim for Reimbursement – a statement that the relevant exemption applies.
 - (d) The person claiming reimbursement must not claim for his or her individual profit.
- 16.2 If a person incurs an expense in the final 3 months of the Financial Year, the National Treasurer may decide to accept a completed Claim for Reimbursement submitted in the first

three months of the new Financial Year.

- 16.3 If the requirements of the Reimbursement are not met, the responsibility and liability for the costs incurred by the person claiming Reimbursement remain with that person unless the Executive Committee approves otherwise.

17. Association Business Credit Card or Debit Card

- 17.1 With the approval of the Executive Committee, a business credit card or debit card will be issued to the National President, National Vice-President, National Deputy President, National Secretary and National Treasurer.
- 17.2 The business credit card or debit card must only be used for the purpose of expenditure incurred in relation to the Association and approved in accordance with the CFP. It must not be used for personal expenses unrelated to the Association.
- 17.3 The maximum spending amount for the Association business credit card or debit card is \$750 per transaction.
- 17.4 All expenditures paid via the Association business credit card or debit card must be in line with the Association Budget for the relevant Financial Year.
- 17.5 Where expenditure paid via the Association business credit card or debit card is outside the Association Budget, the expenditure must be incidental and supported by the appropriate reasons and documentation. This incidental expenditure must not exceed the Petty Cash Threshold of \$750 (clause 15.1(b)).
- 17.6 No cash advances are to be taken using the Association business credit card or debit card.
- 17.7 Where the Association business credit card or debit card is lost or stolen, then the relevant owner of the card is to notify the National Treasurer, who is responsible for notifying the issuing agency and ensuring the card is cancelled.
- 17.8 All holders of Association business credit cards or debit cards are required to reconcile the monthly credit card or debit card statements to the Credit Card / Debit Card Expense Form (**Annexure D**), attach all receipts for payments made on the cards and submit the expense statements to the National Treasurer for authorisation.
- 17.9 All business credit cards or debit cards are to be returned to the Association when the person is requested to do so by the Executive Committee or when the person ceases or resigns from the relevant position with the Association.

PART 6 ADMINISTRATION

18. Compliance

- 18.1 The Finance and Membership Subcommittee must ensure that the receipt and use of funds by the Association remain transparent and all accounts are held with integrity.
- 18.2 The Finance and Membership Subcommittee is responsible for developing the relevant checklists and forms to meet the objective of clause 18.1 and to accompany the CFP.
- 18.3 The current checklist and prescribed forms to be used are annexed at the end of this CFP.

ANNEXURE A CLAIM FOR REIMBURSEMENT FORM

NAME:

POSITION:

BRANCH (IF APPLICABLE):

IS EXECUTIVE COMMITTEE APPROVAL REQUIRED: YES/NO
 (If Yes, attach proof of Executive Committee approval)

(If Executive Committee approval not required:)
RELEVANT EXEMPTION FROM EXECUTIVE COMMITTEE APPROVAL:

Date of Expense	Details of amount claimed (e.g. travel allowance, gift for guest speaker)	Event/Project name	Amount claimed
			\$
Total expenses claimed:			\$

Bank Account Information – Claim #1		Bank Account Information – Claim #2	
Account Holder Name		Account Holder Name	\$
Bank Name		Bank Name	
BSB		BSB	
Account Number		Account Number	
Total reimbursement		Total reimbursement	

SIGNATURE:

DATE:

ANNEXURE B REIMBURSEMENT COMPLIANCE CHECKLIST

Reimbursement Compliance Checklist

Requested By (Branch)		Expenses Paid By	
Reimbursement Claim Received		Expenses Amount	
Reimbursement Made To		Date Expenses Incurred	
Reimbursement Status		Reimbursement Processed	

#	Task	Check	Comments
1	Claim for Reimbursement Form completed and received	<input type="checkbox"/>	
2	Supporting evidence attached to the form	<input type="checkbox"/>	Invoices and proof of payment
3	Claim received within 3 months of expense incurred	<input type="checkbox"/>	
Pre-Approval Not Required			
4	Expense incurred within the Association Budget	<input type="checkbox"/>	
5	Expense incurred equal to or less than \$750		
6	Total Petty Cash reimbursement for the Branch is within \$3,000 in a Financial Year	<input type="checkbox"/>	See clause 15.1(c)
7	Is expenses incurred within Sponsorship or total Ticket money raised for that event?	<input type="checkbox"/>	
8	Check & confirm if Sponsorship monies received in AALA account & WildApricot	<input type="checkbox"/>	
9	Check & reconcile Ticket money received in AALA account & WildApricot	<input type="checkbox"/>	
10	Statement provided by the claimant confirming exemption applies	<input type="checkbox"/>	
Pre-Approval Required			
11	Expense incurred outside the Association Budget		
12	Expense incurred greater than \$750		
13	Total Petty Cash reimbursement for the Branch is within \$3,000 in a Financial Year		See clause 15.1(c)
14	Proof of ExCo approval – ordinary resolution carried at ExCo meeting or via flying minute		N/A

ANNEXURE C**VENDOR / PAYEE CREATION FORM**

SECTION 1	PAYEE INFORMATION		
Full Name			
Company			
Email		Telephone	
SECTION 2	BANKING INFORMATION		
Account Holder name			
Name of Bank			
BSB		Account No	
SECTION 3	INTERNAL NOTE		
Payment Type		Amount	
Event / Purpose		ALA Branch	

ANNEXURE D CREDIT CARD / DEBIT CARD EXPENSE FORM

Credit Card / Debit Card Expense Report

Name		Month / Year	
Position		Card Ending (last 4 digits)	
Branch		Total Expenses	

Date	Vendor	Description	Amount (\$)
TOTAL (should match statement)			

Please remember to attach all receipts

Signature		Signature	
Card Holder Name		Approved By	
Date		Date	

VERSION CONTROL:

VERSION	AMENDMENT	APPROVED BY	APPROVED DATE
4 April 2024	-	AALA Executive Committee	11 April 2024