

5. FINANCIAL ACCOUNTABILITY POLICY

LIFE FOUNDATION

(Registered Non-Governmental Organization)

Version: 1.0

1. Introduction

Life Foundation is committed to maintaining the highest standards of financial integrity, transparency, accountability, and responsible stewardship of all funds and resources entrusted to the Organization. We recognize that donors, beneficiaries, government agencies, corporate partners, and the public place their trust in us to use financial resources ethically and effectively in furtherance of our charitable mission.

This Financial Accountability Policy establishes the principles and procedures for sound financial management, ensuring compliance with applicable laws, accounting standards, donor requirements, and organizational policies.

2. Purpose

The objectives of this Policy are to:

- Promote transparency and accountability in financial management.
- Ensure proper utilization of funds for approved charitable purposes.
- Protect the Organization's assets from misuse, fraud, or loss.

- Strengthen internal financial controls.
- Ensure compliance with statutory, regulatory, and donor requirements.
- Foster public confidence in the financial integrity of Life Foundation.

3. Scope

This Policy applies to:

- Governing Body Members
- Office Bearers
- Employees
- Finance and Accounts Personnel
- Project Coordinators
- Volunteers handling funds or assets
- Consultants and Contractors managing financial resources
- Any individual authorized to incur expenditure or manage organizational assets

4. Guiding Principles

Life Foundation shall ensure that all financial transactions are guided by the following principles:

- Accountability
- Transparency
- Integrity
- Accuracy
- Prudence
- Legal Compliance
- Ethical Conduct
- Value for Money

5. Sources of Funds

- Funds received by Life Foundation may include:
- Individual Donations
- Corporate Social Responsibility (CSR) Contributions

- Government Grants
- Institutional Grants
- Philanthropic Contributions
- Membership Fees (if applicable)
- Fundraising Events
- Interest Income
- Other lawful sources permitted under applicable laws

All funds shall be used solely for the objectives of the Organization and in accordance with donor restrictions, where applicable.

6. Financial Management

Life Foundation shall maintain:

- Proper books of accounts.
- Accurate financial records.
- Supporting vouchers and documentation.

- Bank statements and reconciliation records.
- Asset registers.
- Grant and project expenditure records.
- Budget and financial reports.

Financial records shall be maintained in accordance with applicable accounting standards and statutory requirements.

7. Budgeting

An annual budget shall be prepared before the commencement of each financial year.

The budget shall:

- Reflect organizational priorities.
- Estimate expected income and expenditure.
- Be reviewed and approved by the Governing Body.
- Be monitored periodically.

Significant deviations from the approved budget shall require appropriate authorization.

8. Internal Financial Controls

Life Foundation shall maintain appropriate internal controls, including:

- Segregation of financial duties where practicable.
- Authorization of expenditures.
- Proper approval procedures.
- Secure custody of cash, cheque books, and financial records.
- Bank reconciliations.
- Periodic verification of assets.
- Documentation of all financial transactions.

9. Banking Operations

All organizational funds shall be deposited in bank accounts held in the name of Life Foundation.

Bank accounts shall be operated only by authorized signatories approved by the Governing Body.

Cash transactions shall be minimized to promote transparency and accountability.

10. Procurement and Expenditure

Procurement of goods and services shall be guided by:

- Fairness
- Transparency
- Economy
- Competition, where appropriate
- Value for money

All expenditures shall:

- Be properly authorized.
- Be supported by invoices or valid documentation.
- Relate directly to organizational activities.
- Comply with donor conditions, where applicable.

11. Asset Management

Life Foundation shall maintain a register of organizational assets, including:

- Land and Buildings
- Vehicles
- Computers and Office Equipment
- Furniture
- Medical Equipment
- Educational Materials
- Other Fixed Assets

Assets shall be safeguarded against theft, misuse, or unauthorized disposal.

12. Financial Reporting

The Organization shall prepare periodic financial reports for:

- Governing Body
- Donors
- Government Authorities

- Funding Agencies
- Statutory Authorities, where required

Financial reports shall present a true and fair view of the Organization's financial position.

13. Audit

Life Foundation shall arrange for its accounts to be audited annually by an independent Chartered Accountant in accordance with applicable laws.

The Organization shall cooperate fully with statutory audits, donor audits, and other lawful financial inspections.

14. Fraud Prevention

Life Foundation adopts a zero-tolerance approach to fraud, corruption, bribery, embezzlement, theft, financial misconduct, or misuse of organizational resources.

Any suspected financial irregularity shall be reported immediately to the Executive Head or the Governing Body for appropriate investigation and action.

Where necessary, the matter shall be reported to the appropriate authorities.

15. Conflict of Interest

Individuals involved in financial decision-making shall disclose any actual, potential, or perceived conflict of interest.

No person shall participate in financial decisions where such conflict may influence impartial judgment.

16. Confidentiality

Financial information shall be treated as confidential except where disclosure is:

- Required by law.
- Required by donors.
- Approved by the Governing Body.
- Necessary for audit or statutory compliance.

17. Record Retention

Financial records shall be retained for the period prescribed under applicable laws, donor agreements, and organizational policies.

Records shall be stored securely to prevent loss, damage, or unauthorized access.

18. Monitoring and Review

The Governing Body shall periodically review the Organization's financial systems and this Policy to ensure continued effectiveness, transparency, and legal compliance.

19. Compliance

All individuals responsible for financial management shall comply with this Policy.

Violation of this Policy may result in disciplinary action, recovery of losses, termination of engagement, and legal proceedings where applicable.

20. Contact

For questions regarding financial management or this Policy, please contact:

Life Foundation
Hojai, Assam, India

Email: info@lifefoundationngo.org.in | lifefoundationngo@gmail.com

Website: www.lifefoundationngo.org.in

Declaration

Life Foundation is committed to maintaining the highest standards of financial accountability and responsible stewardship. The Organization shall ensure that all funds and resources are managed with integrity, transparency, efficiency, and in accordance

with applicable laws, donor requirements, and the charitable objectives of the Organization.

Approved by:

Governing Body

Life Foundation

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