

FINANCIAL POLICY

1. Introduction

Dar-E-Arqam Education Charitable Trust is committed to maintaining the highest standards of financial transparency and accountability. This policy ensures that all financial activities align with legal requirements and best practices in financial management to safeguard the integrity of the Trust.

2. Objectives

- To establish clear financial procedures and controls.
- To ensure responsible management of funds.
- To comply with financial regulations and reporting standards.
- To maintain transparency in financial transactions.
- To prevent fraud, mismanagement, and misuse of resources.

3. Financial Planning and Budgeting

- An annual budget shall be prepared and approved by the Board of Trustees.
- The budget shall be reviewed periodically, and necessary revisions shall be made.
- All expenditures must be within the allocated budget unless approved by the Board.
- Emergency expenses outside the budget must be documented and approved by the designated authority.

4. Fund Management

- All funds received shall be deposited in the official bank account of the Trust.
- Donations and grants shall be documented, and receipts shall be issued.
- The utilization of funds shall be aligned with the Trust's objectives.
- A designated financial officer shall oversee fund allocations and disbursements.

- No personal use of Trust funds is permitted.

5. Financial Records and Reporting

- Accurate records of income and expenditures shall be maintained.
- A financial report shall be presented to the Board of Trustees quarterly.
- Annual financial statements shall be audited by an independent auditor.
- All financial transactions must have supporting documentation.
- Records shall be maintained for at least seven years for compliance purposes.

6. Internal Controls and Approvals

- Proper documentation and approval must be obtained before making any payments.
- Regular internal audits shall be conducted to ensure compliance with policies.
- Access to financial records shall be restricted to authorized personnel.

7. Procurement and Asset Management

- All procurements must follow a transparent bidding or quotation process.

8. Fraud Prevention and Ethical Conduct

- Any suspicion of financial mismanagement or fraud must be reported immediately.
- Employees handling finances must adhere to ethical financial practices.
- Any conflict of interest in financial dealings must be disclosed and addressed.

9. Compliance with Legal and Tax Regulations

- The Trust shall adhere to all applicable tax laws and financial regulations.

- Financial reports shall be submitted to relevant government authorities as required.
- Compliance training shall be provided to staff responsible for financial matters.

10. Review and Amendments

- This policy shall be reviewed annually and updated as necessary.
- Amendments shall be approved by the Board of Trustees.

This policy ensures that Dar-E-Arqam Education Charitable Trust operates with financial integrity, accountability, and transparency. All stakeholders are expected to adhere to the guidelines outlined in this policy.