

Policy on Finance and Audit

DATE OF EFFECT: 11-26-2025

LAST REVISED: 11-26-2025

PURPOSE & SCOPE

The purpose of this policy is to provide guidance to the Board in managing and reporting on the finances of Rural Artists Against Hate.

ANNUAL FINANCIAL STATEMENTS

An annual Financial Review by the Finance Committee shall be conducted every year, and the results of the Financial Review shall be presented to the Board and to the Annual General Meeting.

ADEQUATE INTERNAL CONTROLS

Accounting and finance systems will be protected through internal controls adequate to reasonably protect the organization. Adequate internal controls are outlined in an accompanying procedure.

FINANCIAL REPORTING

The Board shall review internally prepared financial statements and reports bi-annually.

All external financial reporting must adhere to generally accepted accounting principles (Canadian GAAP).

Where internal (monthly) reporting does not adhere to Canadian GAAP, differences must be disclosed by a note in the financial statements.

ANNUAL BUDGET

The organization shall operate according to an annual budget which shall be submitted to the Board for approval before the beginning of each fiscal year.

Funds may be moved between budget lines within the operational budget assigned to core operations, provided the overall budget total is not exceeded.

The budgets of value initiatives are set by agreement with the donors and cannot be changed without the donors' approval. Value initiatives focus on advancing long-term outcomes within Rural Artists Against Hate strategic directions through the use of partnership development activities with a shared value lens. A new value initiative can be added to the budget during the fiscal year. Value initiatives worth more than \$10,000 must be approved by the Board.

DELEGATION OF FINANCIAL AUTHORITY

The board delegates authority to the Treasurer, Executive, or other specified designate for any financial transaction which incurs current or future expenditure or commitment by Rural Artists Against Hate (including cheques, loans, or contracts), provided the transaction is within an approved budget line.

Other than identified discretionary funds, signed agreements or other formal documentation committing revenue must exist before expenditures are made.



MONITORING & EVALUATION

The Finance and Audit committee is responsible for monitoring the implementation of this policy. It will do so by submitting an annual review of the budget to the Board, including budget to actual comparison reports and full financial statements.