

FINANCIAL REGULATIONS

BANK ACCOUNTS & AUDITING

1. BANK ACCOUNTS

- 1.1 EST shall operate bank account(s) to be used to deposit all the proceeds, receipts and Society incomes, and make all necessary payments related to transactions of the Society.
- 1.2 Any bank transaction will require **two** signatories **signing jointly each from category A and category B**, the signatories may be the President, Chief Executive Officer, and Finance Manager or any other person authorized by the General Assembly.

2. AUDITING

- 2.1 The Management Committee shall in every year recommend to the Governing Council which shall consider and recommend to the General Assembly for appointment of a reputable audit firm to act as the independent auditor who will be conducting an audit of the Society's financial records on annual basis. The auditor reports shall be submitted to the General Assembly for discussion and guidance.
- 2.2 The Society accounts, records and documents shall be availed for inspection by the Auditor during the audit.
- 2.3 The Auditor shall remain an independent party and the Audit Report issued by the Auditor shall be made public.

3. FINANCE

- 3.1 The funds of the EST shall be sourced from fees, proceeds, contributions, donations and grants from members, affiliates, friends and donors. EST shall accept funds from any source including fundraising events, provided that the funds are legitimate and the receipt thereof is not contrary to the general philosophy and principles governing the Society. Other sources will include Annual subscription fees, Membership fees, Members' contribution, Society's investments and Charity Walks.
- 3.2 A Memorandum of Understanding shall be executed between EST and donors making contributions to the SOCIETY.

- 3.3 The Funds received or generated by EST shall be applied to the activities of the SOCIETY only.
- 3.4 The Management Committee shall prepare an appropriate annual budget that shall be considered by the Governing Council and approved by the General Assembly. The budget shall make a provision of the estimated expenditure of the SOCIETY for the relevant financial year and provide for reserve funds to cater for any contingent liability.
- 3.5 No expenses shall be incurred for the purposes of any activity except in accordance with the annual budget or in any other circumstances for which authorization has been given by the Governing Council.
- 3.6 The books of accounts shall be kept at the registered office or head office of the SOCIETY, or at such other place and shall always be open to the inspection by the members.
- 3.7 A copy of the Auditor's Report shall be served to all persons entitled to attend the Annual General Meeting not less than seven days before the date of the meeting.
- 3.8 In overall the Management Committee shall comply with:
- 3.8.1 The keeping of accounting records for the SOCIETY;
 - 3.8.2 The preparation of annual statements of account for the SOCIETY;
 - 3.8.3 The auditing or independent examination of the statements of account of the SOCIETY
- 3.9 The Management Committee shall receive all monies due to the Society and shall make such payments on behalf of the Society as the Council may from time to time direct.
- 3.10 The Management Committee shall invest the monies of the Society as the Council may direct and he/she shall keep proper accounts of all receipts and payments and be responsible for the safe keeping of the securities of the Society.
- 3.11 The financial year of the Society shall end on 31 December of each year.
- 3.12 All investments of the funds controlled by the Society shall be made at the discretion of the Council and all securities shall be registered in the name of the Society.
- 3.13 Any contract, power of attorney or other deed or document to be signed on behalf of the Society, except withdrawals from or cheques drawn upon any savings or bank accounts of the Society, shall be signed by the President or the President elect or the Vice President and by the Finance Manager or the Chief Executive Officer or the Managing Editor of *Uchumi Journal*, or by any two persons designated by resolution of the Council.

- 3.14 Withdrawals from or cheques drawn upon any of the accounts kept by the Society with savings institutions and banks shall be signed by the Finance Manager or in his absence by the person acting on his behalf, and shall be countersigned by the CEO or by a member of the Council.
- 3.15 The proceeds of cheque and other remittances in favour of the Society shall be deposited to the credit of the Society, and need only be endorsed by the Management Committee or in his absence by the person acting on his behalf.
- 3.16 Membership dues shall vest in the Council, but the Council shall make available for the purposes of each branch a proportion of the dues received by the Management Committee of the Council from members of that branch during each financial year.
- 3.17 All dues payable by members shall be collected by the Management Committee of the Council.
- 3.18 All compositions for life membership of the Society shall vest in the Council in full and if received by a branch shall be remitted immediately.
- 3.19 Council shall cause one or more banking accounts to be opened in the name of the Society with an institution registered and regulated in terms of the Banks Act of 1992, and any amount accruing to the Society shall be deposited in such banking account or accounts as the Council may direct.
- 3.20 All payments from the funds of the Society shall be effected by cheque or electronic fund transfer signed by the **two** signatories as the Council may authorize thereto; provided that nothing herein contained shall prevent the Council from maintaining and operating a petty cash fund, or paying in cash such ordinary and usual accounts as do not in total exceed a sum determined by the Council, and provided further that the total sum for the payment of such accounts is drawn by cheque.
- 3.21 All property of the Society shall be vested in the Council.
- 3.22 The income and property of the Society, from whatever source derived, including profits or gains, shall be applied solely to the promotion and furtherance of the objectives of the Society, and no part thereof shall be paid or transferred, directly or indirectly by way of dividend or bonus or otherwise, to any person: Provided that nothing herein contained shall prevent the payment in good faith of remuneration to any employee or other person/s for services rendered to the Society.