

FINANCIAL DELEGATIONS POLICY



Honesty, Integrity & Accountability



PURPOSE

The purpose of this Policy is to establish clear and accountable financial delegation limits and approval authorities for Apprenticeships Are Us Ltd (ARU), ensuring that all financial decisions:

- comply with the Corporations Act 2001 (Cth),
- meet ACNC Governance Standard 5 (duties of Responsible Persons),
- satisfy the National Standards for Group Training Organisations (Standard 3 – Governance & Risk),
- align with modern charity financial-governance practices,
- manage risk in accordance with ISO 31000:2018, and
- support accurate financial, operational and sustainability reporting under AASB S1 and AASB S2.

This policy provides the framework for determining who may commit ARU funds, under what conditions, and to what financial limit.

SCOPE

This Policy applies to:

- all ARU directors and Responsible Persons,
- the Managing Director and Executive Leadership Team,
- all managers holding financial delegation,
- all staff who initiate, recommend or approve expenditure,
- all contractors handling ARU funds,
- all budgets, commitments, payments, procurement, assets and financial transactions.

Delegations apply irrespective of whether an officer is acting in a temporary or permanent capacity.

LEGISLATIVE AND REGULATORY FRAMEWORK

This Policy is governed by:

Commonwealth Legislation

- *Corporations Act 2001 (Cth)* (including ss. 180–184, 191, 588G)
- *Australian Charities and Not-for-profits Commission Act 2012 (Cth)*
- *Treasury Laws Amendment (Financial Reporting and Assurance) Act 2024*
- *Fair Work Act 2009 (Cth)*
- *Criminal Code Amendment (Fraud and Misconduct Offences) Act 2024*
- *Privacy Act 1988 (Cth) & Privacy Act 2024 update*

- *Cybersecurity Standards Act 2023 (Cth)*
- *Income Tax Assessment Act 1997 (Cth)*

Standards & Frameworks

- ISO 31000:2018 Risk Management Standard
- AASB S1 General Sustainability-related Disclosures
- AASB S2 Climate-related Financial Disclosures
- Australian Auditing Standards (ASA 2024)
- National Standards for Group Training Organisations (2017)

Internal Governance Instruments

- ARU Board Charter
- ARU Risk Management Framework
- ARU Code of Ethics
- ARU Fraud Prevention Policy
- ARU Credit Card Policy
- ARU Procurement & Tendering Policy
- ARU Cyber Security Policy

DEFINITIONS

“Delegated Authority”

The approved financial limit assigned to a position, not an individual.

“Exceptional Expenditure”

Any expenditure outside approved budgets or exceeding delegated thresholds.

“Material Transaction”

Any transaction with a significant financial, operational, ESG or reputational impact requiring Board approval.

“Related Party Transaction”

A transaction involving directors, executives or entities connected to them.

“ESG Expenditure”

Any expenditure with environmental, social, climate-related or governance implications under AASB S2.

“Unbudgeted Expense”

Any expenditure not included in the approved annual budget.

“Procurement”

The process of acquiring goods and services from suppliers.

POLICY

The Apprenticeships Are Us Limited (ARU) Board is responsible for the governance and management of the registered Group Training Organisation being Apprenticeships Are Us Limited in accordance with:

- I. *The National Standards for Group Training Organisations, and*
- II. *Australian Charities and Not-for-Profits Commission Regulation, 2013*

This policy is aligned with the *Treasury Laws Amendment (Financial Reporting and Auditing) Act 2024*, which outlines additional requirements for financial delegations in charities and not-for-profits. ARU must ensure that all financial transactions adhere to the latest statutory obligations regarding transparency and accountability in financial management.

The ARU Board, while retaining ultimate responsibility, may delegate responsibilities to the Managing Director (MD), any member of the Management and Executive Team or another person or persons as it sees fit, in accordance with the constitution of ARU. Attached to the right to delegate, the ARU Board has a responsibility to ensure that delegations are being carried out within the requirements of statute and common law and Apprenticeships Are Us Limited's own policies. The ARU Board must ensure that adequate risk management processes and internal controls are in place.

Appropriate supervision of management by the ARU Board is exercised through several mechanisms:

- The ARU Board receives operational and compliance reports from and through the MD at regular meetings. In some cases, the Financial Controller may be required to report to the ARU Board in specific areas of operations and at particular times.
- This policy is based on a principle of delegation by exception. Matters not delegated to the Managing Director or delegated jointly to the Financial Controller and/or any ARU Board subcommittee (if implemented) need to be separately identified, documented and the policy framework underlying the delegation clearly articulated.
- Financial delegation is assigned to the position held by a staff member, rather than to the individual who occupies that organisational position.
- Delegations are hierarchical by design throughout the lines of authority, so that a designated supervisor of a staff member with delegated financial authority must hold at least the equivalent level of financial delegation as the supervised staff member. Financial delegations under authority empower members of the Management and Executive Team and other staff to act autonomously in approving expenditure to the approved limits and represent a significant responsibility in allocation of Apprenticeships Are Us Limited's financial resources.
- Staff who accept this responsibility are required to review the *Apprenticeships Are Us Pty Ltd – Financial Management Policy* and this *Financial Delegations Policy* and sign a formal delegation authority form which acknowledges that they have understood the policies and possess the skill and judgement required to exercise their financial delegation with respect to accountability, care, and diligence. These forms are officially recorded and retained during the staff member's term of employment in a position of delegated authority and cease immediately when the staff member ceases to act in that position or terminates their employment with Apprenticeships Are Us Ltd.
- Delegations relating to expenditure can only be exercised within approved budgets. A staff member who incurs expenditure which exceeds the designated budget limit is personally accountable for that expenditure. Where a Staff Member with delegated financial authority has a Conflict of Interest in respect of an item or area of expenditure, they are instructed to decline approving such expenditure and instead refer the expenditure to their immediate supervisor for approval and authorisation.
- Staff members with delegated financial authority are responsible for ensuring that all transactions comply with the updated delegation limits. Any breaches of these limits must be immediately reported, and

corrective actions taken. Failure to adhere to these delegation limits may result in disciplinary action under the Fair Work Act 2009 (as amended 2024).

- Any breach of the financial delegations' limits must be reported in the first instance to the ARU Board. Delegation limits apply to the position even if it is being occupied by a staff member in an acting capacity.
- All records related to financial delegations are to be kept for a period of seven years.

To comply with the updated **Australian Risk Management Standard (ISO 31000:2018)**, this policy includes enhanced risk management protocols, ensuring that all delegated financial transactions undergo appropriate scrutiny and risk assessment to mitigate potential financial and operational risks.

FINANCIAL DELEGATION

The Financial Controller via delegation is responsible for the proper financial management of Apprenticeships Are Us Limited within the budget. The Financial Controller prepares the budget with the Managing Director as well as with the Management and Executive Team's input. This budget is presented by the Financial Controller to the ARU Board who votes on it for approval. The Managing Director and the Financial Controller can commit to general expenses within the budget or re-allocate up to the limit of \$100,000 (excluding Apprentice Payroll, Superannuation and PAYG Withholding payments). For the Management and Executive, the Managing Director manages the entire staff of Apprenticeships Are Us Limited as well as determines and controls all their tasks within their contracts.

The Financial Delegation process is now also subject to the sustainability reporting standards outlined in the AASB S1 and AASB S2 guidelines, ensuring that financial decisions consider environmental, social, and governance (ESG) factors. This policy incorporates the requirement to disclose how financial resources are allocated in alignment with long-term sustainability goals.

All financial delegations will be subject to external assurance to ensure compliance with Australian Auditing Standards (ASA 2024). External auditors will review delegation compliance and provide assurance that financial controls are operating effectively, particularly in relation to ESG-related expenditures and risk management practices.

The Financial Controller is to confirm all positions put forward are within the budget and to confirm the appropriate band and classification based on credentials. The staff contracts, excluding the contract of the Managing Director, are signed by the Managing Director. The contract of the Managing Director is to be reviewed by the ARU Board. All payments arising within the limit of the financial delegation to the Financial Controller can be processed by any 2 authorised persons. The Financial Controller has a duty to alert the ARU Board of any significant financial matter or of any expenses that would result in exceeding provisions of any individual budget item.

Delegated Responsibilities

Items	Board	Managing Director	Chief Executive Officer	Financial Controller
Budget Proposition		X	X	X
Vote on Budget	X			
Entering into contractual agreement (Services and Supplies)	X	X	X	
Committing to and renewing employment contracts		X	X	
Contract renewal (services and supplies) within the budget's framework				X
Commitment of expenses within the budget's framework and threshold limit		X	X	X
Commitment of expenses over the threshold and indicated in the budget and are non-recurring	X	X		
Payment of expenses under the threshold specified in the budget				X
Commitment and payment of exceptional non-budgeted expenses	X	X		
Preparation of financial accounts				X
Statement to the Financial Accounts		X		
Presentation of the financial accounts to the Annual General Meeting				X

Delegation Protocol

Item	Activity		Authority	
Banking	Accounts	Opening and closing bank accounts	ARU Board	
		Authorised signatories to bank accounts	Any 2 signatories as per financial delegation	
	Cheques	Cheques signing (dual)	Any 2 signatories as per financial delegation	
	Credit Cards	Holder of Cheques	Financial Controller	
		Usage of Cards	Management & Executive Team	
	Online	Card Limits	As per financial delegation	
		Administrator of online access	Any two Administrators	
		Administrator access authority and limits	ARU Board	
		Setting EFT Transfer Limits	Managing Director	
		Payroll Authorisation	Any 2 signatories as per financial delegation	
Loans and investments		Loans to related parties	ARU Board	
		Loans to non-authorised organisations	ARU Board	
		Entering into Borrowing/overdraft facilities	ARU Board	
		Investment of Funds	ARU Board	
		Investment placement including rate and term	ARU Board	
Information Technology		Allocation of access	Financial Controller	
Budget Approval		Annual recurrent budget	ARU Board	
		Annual capital budget	ARU Board	
		Re-allocation up to \$10,000	Financial Controller	
		Re-allocation \$10,000 and over	Managing Director	
Fixed Assets	Purchase (Capital Expenditure)	Within the budget - \$10,000 and over	As per financial delegation	
		Outside Budget	ARU Board	
	Sale/Disposal	\$50,000 or more	ARU Board	
		Less than \$50,000	Managing Director	
Operating/Recurrent Expenditure with Approved budget and cash flow			Financial Controller	
Fees	Setting	Host Employer Charge Out Rates	Managing Director	
		Discounts	Managing Director	
		Special rates	Managing Director	
	Bad Debts	Overdue Accounts	Financial Controller	
		Write off recommendation	Financial Controller	
		Write off endorsed and approved	ARU Board	
Staffing	Employment	Management positions	Managing Director, selection panel to include at least one Director	
	Remuneration	Managing Director	ARU Board	
		Chief Executive Officer	Managing Director	
		Management Positions	Managing Director	
		Other staff	Managing Director	
Leasing	Capital Assets	Capital cost greater than \$50,000 and a period more than 4 years	ARU Board	
		Amount and period less than the above	As per financial delegation	
Hire of Premises		Associated organisations	ARU Board	
		Non-associated organisation	ARU Board	

The delegation limits apply to the gross cost including GST, but excluding trade-ins, allowances etc. The transaction should be considered in its entirety, not by part payments or instalments falling under the delegation limit.

This policy does not apply to controlled or related entities, and they must develop and maintain their own approval of delegations under authority consistent with their own constitution.

Delegation operates under approved operating budget. If management determines that overall budget needs to be exceeded, then a justification submission must be provided to the ARU Board prior to expenditure taking place in line with authority approval limits.

All records related to financial delegations, including authorizations, approvals, and reports, must be retained in compliance with the Australian Privacy Principles (APPs) to ensure the secure storage of sensitive information. Digital records must also adhere to Privacy Act 2024 guidelines, ensuring that financial data is protected from unauthorized access.

All financial transactions, including online banking and EFT transfers, must adhere to the enhanced cybersecurity guidelines as outlined in the *Cybersecurity Standards Act 2023*. This ensures that digital financial authorizations are secure and protected from fraud or data breaches. Additionally, any suspected fraud or breach of delegation limits must be reported in accordance with the *Criminal Code Amendment (Fraud and Misconduct Offences) Act 2024*.

EXPENDITURE APPROVAL AUTHORITIES

Expenditure included in annual recurrent budget approved by ARU Board.

Staff position	Area of expenditure	\$ Limit
Managing Director	Capital expenditure >\$50,000 within approved budget	Subject to approval by ARU Board meeting
Chief Executive Officer	Capital expenditure >\$10,000 and <\$50,000 within approved budget	Subject to approval by ARU Board meeting within approved budget
	Staff Appointments	
	Casual staff contract approvals	
	Payroll and Salary rates	
	All recurrent expenditure	
Management Team	Capital expenditure or equipment up to \$10,000	
Financial Controller	Payroll and Salary rates	at the direction of the MD
	All recurrent expenditure	within approved budget
	Capital expenditure up to \$10,000	
GTO Manager	All recurrent expenditure up to limit of \$10,000 excluding payroll and staff costs	within approved budget
Business Development Manager/s	Approval of payments up to \$1,000	With approved budget at the direction of the GTO Manager
WHS & Human Resources Manager	Approval of Purchase Orders up to \$500	within approved budget
Accounts staff	Approval of payments in case, via petty cash float amount, up to a maximum of \$50	within approved budget

Expenditure decisions that involve significant environmental, social, or governance (ESG) implications must be reported to the ARU Board for approval, ensuring compliance with the AASB S2 Sustainability Reporting Standards. This includes the allocation of funds to projects that may have long-term environmental or social impacts.

PROCUREMENT CONTROLS

Where expenditure is exercised under delegation, the following procurement standards apply:

- Up to \$2,000 – one quote;
- \$2,001–\$10,000 – minimum two quotes;
- \$10,001–\$50,000 – three written quotes;
- Over \$50,000 – competitive tender or ARU Board approval;
- Related-party suppliers must not be used unless approved by the ARU Board;
- All procurements must undergo conflict-of-interest checks;
- All procurements must comply with ARU's Sustainability and ESG Procurement Standards.

No financial delegation may override procurement requirements.

GENERAL BREACHES AND ESCALATION PROTOCOL

Any breach or suspected breach of delegated authority, including:

- spending in excess of limits,
- unauthorised commitments,
- bypassing procurement rules,
- conflicts of interest not disclosed,
- suspected fraud,
- cybersecurity compromise involving financial systems,

must be reported immediately to the:

1. Financial Controller
2. Managing Director
3. ARU's Board Chair (for significant breaches)

A review will be conducted and corrective actions implemented. Fraud will be referred to authorities.

ESG AND SUSTAINABILITY REPORTING REQUIREMENTS

Expenditure with ESG implications must be:

- documented with supporting evidence,
- linked to ARU's sustainability objectives,
- coded for AASB S1/S2 reporting,
- reviewed annually as part of ARU's Sustainability Report,
- approved by the Managing Director were material,
- escalated to the ARU Board if the expenditure materially affects ARU's climate-related financial disclosures.

ESG-related expenditure must not be overstated or misclassified to avoid greenwashing risk.

DIRECTOR RESPONSIBILITIES

Directors have legal obligations under the Corporations Act and ACNC Governance Standards to:

- act with care, skill and diligence when reviewing financial reports and delegations,
- ensure ARU remains solvent and expenditure is lawful,
- oversee internal controls,
- prevent misuse of organisational funds,
- approve material and strategic financial commitments,
- ensure transactions contribute to ARU's charitable purpose,
- ensure ESG-related expenditure is accurate, justified and properly reported.

Failure to meet these obligations may result in civil, criminal or regulatory action.

RECORDKEEPING, INTERNAL AUDIT & ASSURANCE

ARU must maintain:

- all delegation authority forms,
- all procurement documents,
- expenditure approval evidence,
- contract approvals,
- delegated authority registers,
- conflict-of-interest declarations,
- ESG expenditure records,
- cybersecurity approvals for digital transactions.

Records must be retained for **seven years** and be available for:

- annual external audit,
- periodic internal audit,
- ACNC review,
- ARU Board review.

Delegations will be audited annually for compliance.

RELATED DOCUMENTS

- *Apprenticeships Are Us Ltd – Financial Management Policy*
- *Apprenticeships Are Us Ltd – Investment Planning Policy*
- *Apprenticeships Are Us Ltd – Credit Card Policy*
- *Apprenticeships Are Us Ltd – Fraud Prevention Policy*
- *Apprenticeships Are Us Ltd – Gifts and Benefits Policy*
- *Apprenticeships Are Us Ltd – Transparency and Accountability Policy*
- *Apprenticeships Are Us Ltd – Related Party Transaction Policy*
- *Apprenticeships Are Us Ltd – Management of Conflicts of Interest Policy*

AUTHORISATION

Michael Wentworth



Managing Director

Apprenticeships Are Us Limited

DOCUMENT CONTROL

Version	Authorised by	Authorisation Date	Sections	Amendment
1.1			All	N/A
1.2	M. Wentworth	01/02/2018	All	Change of CEO
1.3	M. Wentworth	03/04/2023	All	Update with removal of MD
1.4	M. Wentworth	15/10/2024	All	Cover page, minor information update
1.5	M. Wentworth	27/11/2025	All	Information update