

COP23 Trust Account – Financial Policy Guideline

1.0 Purpose

- 1.1 This financial policy guideline intends to outline the *modus operandi* in relation to the financial operations of the COP23 Presidency Office domiciled in Suva, Fiji.
- 1.2 It specifies the accountability and reporting responsibilities of the Trustees and other related parties.
- 1.3 To ensure transparency, the financial statements of the COP 23 Presidency Trust Fund ('Fund') will be publicly available on the COP23 website and the Fund will be managed by the finance director of the COP23 Presidency Secretariat.

2.0 Scope

- 2.1 This financial policy guideline applies to the Trustees including individuals and/or corporates that have been assigned by the Trustees to defray or receive payments for COP23 related activities.
- 2.2 It also covers the officers responsible for executing the accounting duties of the Fund.

3.0 Designate Trustees

- 3.1 The Trustees of the Fund are:
 - (i) the Executive Director of the COP23 Presidency Secretariat; and
 - (ii) the Deputy Solicitor-General.

4.0 Legislative Mandate

- 4.1 Act No. 6 of 2017 referred to as the COP 23 Presidency Trust Fund Act 2017 articulates the objective for the establishment of the Fund.
- 4.2 The Permanent Secretary for Economy ('PSE') must authorise all payments from the Fund.

5.0 Responsibilities of the Trustee

- 5.1 The Trustees must:
 - (i) adhere to the requirements of sections 4 and 5 of the COP 23 Presidency Trust Fund Act 2017;
 - (ii) comply with the Procurement Regulations 2010 in respect to all purchases;
 - (iii) report on the activities and expenditure of the Fund;
 - (iv) ensure six monthly financial statements are submitted to the Ministry of Economy to enable the Minister for Economy to prepare a report every six months; and
 - (v) ensure that all records are properly maintained.

- 5.2 The signatories of the Fund's Bank Account are the Trustees as stipulated in paragraph 3.1 and the PSE.
- 5.3 It is mandatory for the Fund's Bank Account to have a minimum of two signatories for all cheque payments. For any electronic payment(s), the designated finance officer must seek the clearance of at least one Trustee before executing the payment processing.
- 5.4 For the purposes of this paragraph, '**designated finance officer**' means the assigned Accounting Head appointed by the PSE to execute back-end processing of executing payment(s) through the Fund.
- 5.5 Any new signatories can be included subject to the approval of the PSE.

6.0 Accounting

- 6.1 The receipt and payment of money of the Fund must be kept in a separate cashbook or set of ledger accounts.
- 6.2 Each month, the trust account must be balanced and reconciled with the Fund's Bank Account. The reconciliation shall be endorsed by at least one Trustee.
- 6.3 Quarterly statement of receipts and payments shall be prepared and submitted to the PSE within one month after the end of the respective quarter. Once it is cleared by the PSE, it should be uploaded on the COP23 website.

7.0 Audit

- 7.1 The Fund must be audited by an independent auditor who is a chartered accountant registered with the Fiji Institute of Accountants, holds a certificate of public practice required under section 36 of the Fiji Institute of Accountants Act 1971, is not employed in the civil service and shall be approved by the Minister for Economy.
- 7.2 The accounts of the Fund must be audited annually and published on the COP23 website.
- 7.3 The PSE may request the Internal Audit and Good Governance Section of the Ministry of Economy to conduct a compliance or performance audit as and when the PSE deems necessary.

8.0 Financial Year

- 8.1 The financial reporting of the Fund is based on the Government's financial year i.e. 1 August to 31 July.

9.0 Imprest Account

- 9.1 An Imprest Account may be opened by the Trustees subject to the approval of the PSE.

- 9.2 The ceiling of the Imprest Account shall not exceed \$1,000 but can be varied subject to the PSE's approval.
- 9.3 The Imprest Account shall be reconciled monthly with all supporting documentation/acquittals to be properly filed.
- 9.4 The designated officer maintaining the petty cash must do it on a separate cashbook.
- 9.5 All petty cash is to be retired at the end of the financial year or before the Fund is dissolved, whichever falls earlier.