



The Dignity Project

Related Party Transactions Policy

The Dignity Project (referred to as TDP hereafter) is a not-for-profit, charitable and benevolent institution established in Australia solely to provide relief to young people in India in need, in particular young people from disadvantaged communities, through local projects to provide benevolent care, support, education and training (PURPOSE).

The purpose of this policy is to outline the guidelines and procedures TDP has in place for related party transactions. TDP considers itself to be a *small* charity as per Australian Charities and Not-for-profit commission (ACNC) guidelines and as such, this policy is written with that in consideration. This policy is also supported by TDP policies including its *Conflict of interest policy and Register, plus TDP's Register of related party transactions*.

TDP seeks to ensure that all decisions are made at arms lengths to any individual or organisation that may stand to benefit, in order to avoid potential, perceived or actual conflict of interest, and in accordance with the purpose stated in TDP's *Constitution*. Additionally, TDP makes all decisions in accordance to its *Additional policy for use of funds and decision making* and the *TDP Constitution*.

To avoid or assess any related party transactions, TDP will:

1. Adhere to its *Additional policy for use of funds and decision making; Conflict of Interest policy and register; Constitution* and or any other relevant policies or applicable governing guidelines.
2. Strictly adhere to ACNC governance guidelines.
3. Use the *TDP Project and program proposal template*, which includes a risk assessment of programs and asset allocation, and board consideration and approval for all spending or allocation of resources. This will ensure all transactions meet the TDP stated purpose.
4. Consider at least two quotes or tenders for procurement of goods or services.
5. Conduct due diligence on any related party transaction, and any parties with a declared conflict of interest shall be excluded from relevant decision-making processes.
6. Establish formal, written agreements with any related party that expressly states the nature, scope and limitations, financial details, objectives and arrangements, of any transactions.
7. Maintain financial and operational records for a period of 7 years as per the *TDP Record keeping policy*.
8. TDP will complete and submit the ACNC's annual information statement (AIS) each year in a timely manner. As part of this process, TDP will maintain a register of any related party transaction, including but not limited to: Fees, loans or salary paid to a related party or the relative of a related party; transfer of charity property or assets to a related party; Investment in a related party; significant use of TDP assets or resources by a related party.
9. Review its *Register of related party transactions* annually and make recommendations for policy changes or amendments.
10. TDP will review this policy as and at a time when the organisation exceeds the definition of a *small* charity as per ACNC guidelines.

Date: 11 June 2024

Name: Lincoln Harris

TDP Position: Secretary

Signature:

