



Anti-Fraud and Anti-Corruption Policy

It is the policy of **The Common People Ltd (TCP)** to conduct its mission activities in an honest and ethical manner. TCP takes a zero-tolerance approach to fraud and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships. It is also the goal of The Common People to avoid acts which might reflect adversely upon the integrity and reputation of the Company.

Objective

The aims and objectives of this policy are to:

- establish mechanisms designed to prevent, identify and deal in an adequate, timely, and effective manner and to permit action to be taken to correct the situation immediately.
- protect the assets and resources and ensure that they are not misused or misappropriated through fraud, bribery, corruption or theft.
- ensure that financial information is accurate and reliable
- create and promote a robust 'anti-fraud' culture across the organisation through policies, procedures, communication and training.
- create an environment that enables the reporting of any genuine suspicions of fraudulent activity.
- ensure that the rights of individuals raising legitimate concerns are properly protected.

Scope and Application

Any act of fraud or corruption in TCP's operations depletes funds and other resources intended for supporting its mission which can undermine its functioning and divert available resources. This policy applies, without exception, to all activities and operations of TCP, including any irregularity, or suspicion of irregularity, involving staff members, as well as suppliers, contractors, and/or any other party that has a working or contractual relationship with TCP.

The Policy applies to all directors, members, associate members, volunteers, consultants and contractors of The Common People. This Policy extends across all of the Company's business dealings and in all countries in which the Company operates. All persons covered by this policy, in discharging their duties on behalf of TCP, are required to comply with the laws, rules and regulations applicable in the location in which TCP is performing its activities, and in particular with respect to anti-fraud and corruption laws, rules and regulations.

Policy

The administration department of The Common People is responsible for the prevention and detection of fraud, acts of corruption, and other irregularities. Neither fraud nor corruption is restricted to monetary or material gain. These acts can also include intangible benefits such as status or exchange of information, creating benefits for specific individuals or interest groups. All TCP members should be familiar with the types of irregularities that may occur within their area of responsibility and be attentive to any sign of failure to comply with the regulations. Any irregularities detected by the internal and external audit or suspicion that is aroused should be reported immediately to the board, who, will objectively examine, analyse, determine an approach, disciplinary measures and conduct an investigation involving the gathering of information, conclusions, implementation and follow up.



Responsibilities

The organisation's admin department is responsible for the administration, review, interpretation, and application of this policy and shall coordinate the actions required, keeping the board members informed, so that, pursuant to the authority vested in them and the board will decide on the course of action to be followed or the sanctions to be applied. The policy will be reviewed annually and adjusted as necessary.

Staff members and non-staff personnel must understand their roles and responsibilities, and how their job functions and procedures are designed to manage fraud risks, and how non-compliance may create an opportunity for fraud to occur or go undetected. Staff members have the obligation to complete all mandatory TCP trainings, and to keep themselves informed of new policies, and report immediately any evidence of practices that indicate fraud or corruption may have occurred.

Prevention Measures

Awareness

The policy establishes the organisation's guidelines for the prevention, detection, and investigation of fraud, and specifies possible acts of corruption and other types of conduct that are unacceptable or inappropriate or forbidden under the ethical values of the organisation, and the procedure for the adoption of corrective measures. A copy of the policy will be provided to all directors, members, associate members, consultants and contractors of TCP. All stakeholders will be communicated through appropriate channels whenever significant changes are made to the policy and will be advised that the policy is available on the organisation website for their review. New directors, members, associate members, consultants and contractors of TCP will be provided with a copy of this policy and will be educated about its importance. Training on this policy will form part of the induction process for all new members joining the organisation. TCP's zero-tolerance approach to bribery, fraud and corruption must be communicated to all suppliers, contractors and partners at the outset of our business relationship with them and as appropriate thereafter.

Program initiatives

When developing a new programme or project, it is important to ensure that fraud risks are fully considered in the programme/project design and processes. This is especially important for high risk programmes/projects, such as those that are complex or operate in high risk overseas environments. Department shall identify and assess the risks in their programme or project areas, including the risk of fraud and corruption, and apply mitigating measures, taking due account of the level of risk involved.

Risk assessment

Where a high risk of fraud has been identified within the general risk assessment of programmes/projects, an additional and specific fraud risk assessment may be necessary. Such in-depth assessment should be used to better identify fraud risks and develop effective measures that address these high risks. The aim is to help management to identify and evaluate areas of the programme/project that are most susceptible to fraud, and prioritise where TCP should focus its resources for fraud prevention and mitigation. Such measures should be monitored for effectiveness over time, and the fraud risk assessment process may be repeated periodically utilising lessons learned, especially for longer-duration programmes/projects or where material changes are made to the design of the programme/project during its implementation.



Internal and External Audits:

Internal and External audit plays an important part in improving financial reporting and to ensure activities of the organisation are in compliance with the accounting framework. They act as an important role in identifying and protecting the organisation from fraudulent activities by performing the annual statutory audit of the financial account, providing an opinion on whether the accounts are true and fair reflection of the company's financial position. External auditors often examine and evaluate all the internal controls that are put in place to manage financial risks which could affect the financial accounts and to assess whether they are working effectively. The External Auditor is obliged to report any fraud, presumptive fraud or wasteful or improper expenditure of the money or other assets to the Board of Directors of The Common People.

Lessons Learnt

In the event any fraud, and /or corruption is discovered, TCP will take steps to ensure lessons learnt from the event are applied to existing policies and practices. This might include implementing changes to the existing system of controls, increasing awareness of the risk of fraud, disseminating lessons learnt where there may be implications for the organisation as a whole. By applying the lessons learnt, TCP is committed to ensuring that opportunities for fraud, bribery and corruption are reduced to the lowest possible level of risk.

Consequences of non-compliance

Fraud and corruption, if committed by a member, constitutes misconduct for which a disciplinary measure may be imposed, including dismissal. Similarly, fraud and corruption by non-staff personnel is not tolerated in accordance with TCP's zero tolerance policy. Contracts must be terminated where non-staff personnel's involvement in prohibited practices is established.

Record-Keeping

The Common People must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties, for a period of 7 years. All transactions must be executed in accordance with management's general or specific authorization and transactions must be recorded as necessary to permit preparation of financial statements in conformity with financial reporting standards, for a period of 7 years.

The Company will maintain books and records that fairly document all decision making, financial transactions and risk assessments. All directors, members, associate members, consultants and contractors of TCP must seek approval for any gifts given or received and record them on the Gift Register. All expenses incurred to third parties relating to hospitality, gifts or expenses must be submitted and the reason for the expenditure must be specifically recorded. All accounts, invoices, receipts and other documents and records relating to dealings with third parties should be prepared and maintained with strict accuracy and completeness.

Reporting fraud

TCP encourage members to report suspected fraud directly to those responsible for investigations without fear of disclosure or retribution and is committed to take necessary steps to prevent any fraud and corruption in the organisation. Anyone with information regarding fraud or other corrupt practices against TCP or involving TCP members, non-staff personnel, vendors, implementing partners and responsible parties, is strongly encouraged to report this information through our following reporting channels.



Email: connect@thecommonpeople.org

complaints can be sent directly to

Director,
The Common People Ltd
P O Box 30
Melbourne Vic 3752.