



Not a Mere Conduit Policy V1

ORGANISATION: BENEVOLENCE AUSTRALIA LIMITED

ABN: 98 627 323 773

POLICY OWNER: BOARD OF DIRECTORS

DATE ADOPTED: 12 MARCH 2026

REVIEW DATE: 12 MARCH 2027

1. Policy Statement

This policy applies to all funds received by Benevolence Australia Limited (the Organisation), all distributions or grants made to third parties, and all staff, volunteers, and board members involved in funding decisions.

2. Policy Purpose

This policy demonstrates that Benevolence Australia Limited (the Organisation) exercises genuine discretion and control over the application of all funds it receives, and does not act as a mere conduit for passing donations to other individuals or organisations. It supports the Organisation's obligations as a Deductible Gift Recipient (DGR) under the requirements of the Australian Taxation Office (ATO) and the Australian Charities and Not-for-profits Commission (ACNC).

3. Guiding Principle

All funds received will be applied in furtherance of the Organisation's charitable purposes, based on the independent judgment and discretion of its board. The Organisation will not act as a passive vehicle for directing funds to any predetermined third party.

4. Independence of Funding Decisions

The board retains full and final discretion over all funding decisions. No agreement or arrangement will be entered into that removes or fetters this discretion.

Donors may express a preference regarding how their donation is applied. Such preferences are welcome but are **non-binding** on the Organisation and subject to the board's independent assessment. The Organisation will not enter into legally binding arrangements with donors that pre-commit funds to a specific third party or project. Donor-facing communications will not use language that guarantees funds will be directed to a specific third party.

The Organisation will not automatically transfer funds to another organisation without exercising genuine independent assessment, regardless of any prior relationship with that organisation.

5. Due Diligence on Third Parties

Before making any grant or distribution to a third party, the Organisation will conduct due diligence appropriate to the size and risk of the funding, including confirming the third party's legal status and charitable purpose, assessing their capacity to deliver intended outcomes, and determining that the

proposed use of funds aligns with the Organisation's charitable purposes. The basis for approval will be documented.

6. Grant Agreements

Where funds are distributed to a third party, a written grant agreement will be executed that includes the approved purpose, reporting and acquittal obligations, a requirement to return unspent or misapplied funds, and the Organisation's right to suspend or terminate funding if conditions are not met.

7. Decision-Making Process

All funding decisions will follow this process: a proposal is received and assessed against the Organisation's charitable purposes; the board formally approves or declines and records its decision and rationale in minutes; a grant agreement is executed before funds are released; and an acquittal report is obtained and reviewed.

8. Record Keeping

The Organisation will maintain records of all funding decisions and their rationale, grant agreements, and acquittal reports for a minimum of seven (7) years.

9. Conflicts of Interest

Any board member or staff member with an interest in a funding decision must declare that interest and absent themselves from the relevant discussion and vote, in accordance with the Organisation's Staff Conflict of Interest Policy.

10. Review

Benevolence may make changes to this policy and procedures from time to time to improve the effectiveness of its operation. In this regard, any staff member or volunteer who wishes to make any comments about this Policy may forward their suggestions to the General Manager.

This policy will be reviewed as needed, and following any significant change in the Organisation's operations or regulatory requirements. Any breach must be reported to the board and, where required, to the ACNC or ATO.

11. Further Assistance

Any staff member or volunteer who requires assistance in understanding this Policy should first consult their nominated Manager or Coordinator who is responsible for the implementation and operation of these arrangements in their work area. Should further advice be required staff should contact the GM at info@benevolenceaustralia.org.

12. Related Documents

- Benevolence Australia Limited Constitution (version April 2025)
- Staff Conflict of Interest Policy
- ACNC Governance Standards
- ATO DGR Requirements Guidance

13. Version Control and Approval

OFFICE USE ONLY

Version Control and Approval

Document Approval

This Policy has been endorsed and approved by Benevolence Board on: 12th March 2026	
Signature and date:	 17/03/2026
Name:	Saara Sabbagh
Position:	Board Chair

Document Information

The editable version of this policy is stored under Operations -> Benevolence Policies and Procedures in Google Drive.

Document Changes and reviews

The GM must be advised of any errors, omissions, ambiguities, and requests for change or suggestions for improvement.

Changes will need to be approved by the board in the document approval section, prior to being incorporated into the next version of this document.

Table 1

Version	Author	Date	Description
1.1			
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