



Finance and Audit Committee

Terms of reference

The objective of the Finance and Audit Committee is to assist the Board to discharge its responsibilities by monitoring and advising on all aspects of financial management of Bowls Victoria Inc.

Key Responsibilities:

- Providing expert advice and support to the Finance Director and Finance & Administration Manager in relation to all aspects of Bowls Victoria's financial planning and management;
- Making recommendations to the Board in matters of financial policy development, and of financial planning and management, including areas of compliance, risk management and insurance, and
- Make recommendations to the Board in relation to the assets of Bowls Victoria.

Membership of the Committee

The Finance Director shall be the Chairman of the committee.

The committee should be appointed by the Board and shall consist of at least three members on the recommendations of the Chief Executive.

Members of the committee are expected to:

- have sufficient financial knowledge to allow them to discharge their duties and where required, challenge the information presented by management and external auditors;
- have a reasonable knowledge of Bowls Victoria Inc. and its activities in Victoria;
- have a capacity to devote the required time and attention to carry out the activities of the committee;
- have some business management background, and
- have no significant commercial relationship which would compromise their involvement with Bowls Victoria activities during their term on the Committee.
- The Chairman of the Committee shall annually conduct an assessment of the effectiveness of individual Committee members and report these to the Board.

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Meetings of the Committee

- A quorum will be half the members of the committee. Where the committee consists of an odd number, a quorum will be half rounded to the next higher number.
- Meetings will be held on a regular basis as determined by the Finance Director, and scheduled to correspond with the financial reporting cycle.
- The committee shall develop an annual audit plan in consultation with the external auditor.
- With the agreement of the Chief Executive, the committee may obtain external resources to assist with the work of the Committee.
- Committee meetings and activities must be minuted and the minutes forwarded to the board at its next meeting following the meeting of the committee or more regularly as requested by the board.

Duties & Responsibilities of the Committee

The Finance and Audit Committee's primary responsibilities are to make recommendations to, and assist the Board in relation to:

- **Financial reporting including:**
 - the integrity, truth and fairness of the financial statements;
 - the integrity of the financial systems, processes and procedures leading to information contained in those financial statements;
 - the appropriateness of accounting policies and procedures and their compliance with legal and regulatory requirements.
- **In relation to the Audit function:**
 - annually review the performance and independence of the external auditors and make recommendation to the Board as to their continuation or replacement;
 - ensure adequate audit coverage for all major areas of financial risk and report to the Board on any issues arising from this coverage on a timely basis;
 - review reports of significant items from the auditors and report thereon to the Board;
 - ensure that management responds promptly to the recommendations made by the auditors;

- **In relation to the compliance process:**
 - develop an internal audit plan for selected procedures and processes, their compliance with Bowls Victoria accounting policies and administrative procedures including legal, taxation and statutory regulations.
 - review the effectiveness of incurring and recording expenditures and income, so as to confirm that they have been carried out in accord with sanctioned authorities and limits, procedures and policies.
 - review the management of business investments / cash resources.
- **With regard to an assessment of the effective management of risk:**
 - review periodically non-financial matters so as to identify any significant areas of risk exposure such as:
 - asset protection
 - litigation and claims
 - employment laws
 - professional practices
 - personal accident or injury
 - business interruption
 - public liability including risk exposures re use volunteers and contractors
 - major business decisions eg new events, new business undertakings.
- **In relation to the insurance program;**
 - ensure that proper and adequate insurance cover has been arranged to provide adequate financial compensation for insurable losses which may be derived from:
 - travel, terrorism and kidnap
 - public liability
 - product liability
 - employment practices liability
 - professional services
 - directors and officers and trustee liability
 - business interruption
 - property damage or loss
 - theft and employee dishonesty

- personal injury or death.
- where formal insurance has been deemed to be not economically feasible, be satisfied that business processes and/or procedures exist and are followed effectively, so as to minimise any adverse effect of the identified risk.

In seeking to achieve these objectives, the Finance and Audit Committee will:

- Recommend to the Board all matters relating to:
 - the Bank or Banks used and the manner of operating Bowls Victoria accounts, and
 - the investment or use of surplus funds.
- Recommend to the Board the adoption of finance related policies which conform with the strategic direction of Bowls Victoria.
- Assist the Finance Director and Finance & Administration Manager with the preparation and submission of the annual income and expenditure budget.
- Examine and endorse the monthly financial statements prepared by the Finance & Administration Manager with the Chief Executive prior to submission to the Board.
- Examine and approve for final submission to the Board, the end of year audited financial statements and reports as prepared by the Finance Director and Finance & Administration Manager.
- Consider proposals for unbudgeted expenditure, including capital expenditure, of amounts exceeding \$10,000, and to submit recommendations to the Board for approval.
- Recommend to the Board:
 - the Annual Capitation fee payable on behalf of each Affiliated Member of Bowls Victoria;
 - the amount and incidence of any Special Levy; and
 - any variation to entrance or nomination fees for Bowls Victoria events.
- Do all things necessary to acquire, sell, vary, transpose or exchange real property for Bowls Victoria as determined by the Board.
- Review, annually, all classes of Bowls Victoria insurances.
- Undertake the scoping, feasibility and planning for special projects as determined by the Board.
- Consider maintenance and capital works needs for the property and facilities, identify and prioritize needs and make recommendations to the Board.

- Oversight the scope of the work and performance of the external Auditor and ensure that significant findings and recommendations made by the external auditor and management's proposed response are received, discussed and acted on appropriately.
- Assess the effectiveness of management information systems and other systems of internal financial control.

Within seven days of a meeting of the committee, the Chairman will send a copy of the minutes and any supporting documentation to the Chief Executive.

Major Interactions

- Bows Victoria Chief Executive;
- Bows Victoria Finance and Administration Manager;
- Bows Victoria Auditors, and
- Bows Victoria Board.