
Audit, Finance & Risk Committee Charter

Gowrie NSW

ABN 57 001 894 659

August 2022

Contents

	Page
Contents	2
1 Introduction	3
2 Composition	3
3 Role, objectives and authority of the Committee	3
3.1 Role of the Committee	3
3.2 Objectives of the Committee	3
3.3 Authority of the Committee	4
4 Responsibilities	4
4.1 Financial Information & Reporting	4
4.2 External audit	4
4.3 Risk	5
4.4 Compliance	5
5 Committee membership	5
5.1 Term of Committee membership	5
5.2 Cessation of Committee membership	5
5.3 Committee Chairperson	5
6 Committee meetings	6
6.1 Meetings	6
6.2 Decisions of Committee	6
6.3 Minutes	6
7 Authority	7
8 Limitations	7
9 Conflicts of interest and other policies	7
10 Review and evaluation	8
11 Dictionary	8
11.1 Dictionary	8

11.2 Interpretation	8
Amendments log	9

1 Introduction

- (a) This Audit, Finance & Risk Committee Charter outlines the roles and responsibilities of the Committee.
- (b) A term or expression starting with a capital letter:
 - (i) which is defined in the Dictionary in section 11, has the meaning given to it in that Dictionary; and
 - (ii) which is defined in the Constitution, but is not defined in the Dictionary, has the meaning given to it in the Constitution.

2 Composition

- (a) The Committee should, to the extent practicable given the size and composition of the Board from time to time, be comprised of at least three Committee members.
- (b) To become a Committee member a person must:
 - (i) be a director of the Company
 - (ii) be financially literate and able to read and understand financial statements.
- (c) Committee membership is through invitation and appointment by the Board.
- (d) When making appointments to the Committee, the Board will aim to ensure the Committee has an appropriate mix of expertise, skills, diversity and experience to assist with the achievement of the role and objectives of the Committee
- (e) Nothing in the above precludes the Committee from providing a standing invitation to other parties to attend Committee meetings, including Gowrie NSW Management, or a third party in an associate, advisory or observer capacity.

3 Role, objectives and authority of the Committee

3.1 Role of the Committee

The role of the Committee is to assist the Board in the effective discharge of its responsibility for the business, financial, operation, compliance and risk management of the Company, and to otherwise support the Board in its advancement of the Purpose.

3.2 Objectives of the Committee

The Committee's key objectives are to:

- (a) review and monitor the integrity of the Company's financial reports and statements;
- (b) review and oversee systems of risk management, internal controls and compliance;
- (c) oversee the processes for:
 - (i) identifying significant risks facing the Company;
 - (ii) implementing appropriate and adequate control, monitoring and reporting mechanisms; and
- (d) liaise with and monitor the performance of the external auditor;

3.3 Authority of the Committee

Unless specific powers of the Board are explicitly delegated to the Committee under this Charter (or by way of Board resolution), the role of the Committee is advisory in nature only, and neither the Board nor Company management will be bound by the advice, decisions or recommendations of the Committee.

4 Responsibilities

4.1 Financial Information & Reporting

In relation to financial information the Committee is, with the advice and assistance of management, to:

- (a) review the quarterly financial reports and dashboards of the Company and advise the Board of any significant items;
- (b) review the budget of the Company and advise the Board of any significant items;
- (c) review the appropriateness of the accounting policies adopted by the Company; and
- (d) review any required statutory disclosures; and
- (e) review financial reporting for compliance with accounting standards and policies and other statutory requirements.

4.2 External audit

In relation to external audit the Committee is to:

- (a) annually review the selection process and appointment of the external auditor and make appropriate recommendations to the Board;
- (b) review and approve the scope of work, report, activities, terms of engagement and fees of the external auditor at the start of each audit;
- (c) review major findings of the audit with management and the external auditor;
- (d) review the effectiveness of the annual audit and the performance of the external auditor; and

- (e) establish and review policies in relation to the independence of the external auditor.

4.3 Risk

In relation to risk the Committee is to:

- (a) review the effectiveness of the Company's risk framework and assess whether the risk framework and internal controls effectively and adequately identify areas of potential material risk;
- (b) assess and analyse the Company's risk appetite and profile on a periodic basis;
- (c) review the effectiveness of the Company's risk management, internal control and safety and health and environment systems; and

4.4 Compliance

In relation to compliance the Committee is to:

- (a) review the effectiveness of the Company's compliance framework;
- (b) assess and analyse the Company's compliance schedule;
- (c) oversee interactions with Regulators.

5 Committee membership

5.1 Term of Committee membership

Each Committee member will remain as a Committee member until that person's term of office as a Director expires or until that person resigns or is otherwise removed as a Committee member in accordance with this charter, or until the Committee is dissolved by the Board.

5.2 Cessation of Committee membership

- (a) A person will cease to be a Committee member if that person dies or if the person:
 - (i) is removed from the position of Committee member by the Board; or
 - (ii) ceases to be a director of the Company.
- (b) Nothing in rule 5.2(a) prevents a Committee member from vacating their position if the person resigns by notice to the Board.

5.3 Committee Chairperson

- (a) The Committee Chairperson will be appointed by the Board.
- (b) The Board may remove and replace the Committee Chairperson at any time.

6 Committee meetings

6.1 Meetings

- (a) The Committee will hold meetings (including by technological means) as often as required for the proper discharge of the Committee's role and objectives and in any event no less than four times per year. The Committee will also meet at the specific request of the Board or at the request of any two Committee members.
- (b) The CEO, CFO and Secretary will have a standing invitation to all Committee Meetings, however this does not prevent the Committee members conducting in-camera discussions without management in attendance.
- (c) Notice of a meeting of the Committee must be sent to each Committee member with sufficient time for the invitees to properly review and consider the material provided with the notice and the matters arising from it.
- (d) No business may be transacted at a Committee meeting unless there is a quorum of Committee members present at the time the business is dealt with.
- (e) A quorum consists of two Committee members unless otherwise determined by the Board. For the avoidance of doubt, individuals invited to attend Committee meetings, including those with a standing invitation, may participate in discussions but do not form part of the quorum.
- (f) All Committee members must make reasonable attempts to attend each Committee meeting.
- (g) The Committee Chairperson will chair the Committee meeting. However, if the Committee Chairperson is not present at a Committee meeting within 15 minutes from the scheduled commencement time, or the Committee Chairperson is unwilling or unable to act, the Committee members must elect one of the present Committee members to chair the meeting.

6.2 Decisions of Committee

- (a) Questions arising at a meeting of the Committee and any other matter to be determined by the Committee under this charter are to be decided by consensus, noting that the Committee will generally be asked to make recommendations and to endorse proposals to the Board.
- (b) At the discretion of the Committee Chairperson, any matter deemed to be of major importance should be promptly referred to the Board for its attention.
- (c) Where a power or decision has been delegated by the Board to the Committee and consensus cannot be reached, the matter must be referred back to the Board for its determination.

6.3 Minutes

- (a) The Secretary or the Secretary's delegate will act as secretary to the Committee and will minute the proceedings of all Committee meetings and will assist the Committee Chairperson to develop and distribute agendas, papers and minutes.

- (b) Minutes of each Committee meeting (including any supporting documentation) must be prepared and circulated to the Chair within 7 days after the date of the corresponding meeting.

7 Authority

The Board authorises the Committee, within the scope of its responsibilities to:

- (a) monitor the performance of any external and internal auditors and advisors engaged by the Company;
- (b) access management, employee, financial and other information that the Committee considers relevant to the performance of its responsibilities; and
- (c) retain independent advisors, consultants and experts where requested and approved by the Board.

8 Limitations

- (a) The Committee's principal function is one of review, oversight, recommendation and monitoring. Without limiting the Committee's duties as described in this Charter, neither the Committee nor any Committee member has a duty to actively seek out activities occurring within the Company that are not compliant with the Company's policies and procedures, although they do have a duty to act promptly if such activity comes to their attention.
- (b) The Committee:
 - (i) is not required to personally conduct accounting reviews or audits; and
 - (ii) is entitled to rely on information obtained from management of the Company or professional advisers or consultants engaged by the Committee or the Company where:
 - (A) there are reasonable grounds to believe that the employee, adviser or consultant is reliable and competent; and
 - (B) the reliance was made on good faith and after making an independent assessment of the information.

9 Conflicts of interest and other policies

- (a) Committee members must comply with all relevant Company policies including conflicts of interest, anticorruption and anti-bribery policies and procedures.
- (b) Committee members may be required to sign a declaration which includes an undertaking to disclose conflicts of interest in a timely and appropriate manner.

10 Review and evaluation

- (a) The performance of the Committee and individual Committee members will be reviewed periodically and assessed against the requirements of this Audit, Finance & Risk Committee Charter, the Constitution and other relevant policies and procedures of the Company.
- (b) The Board will review the Audit, Finance & Risk Committee Charter and make any changes it determines to be necessary or desirable on an annual basis.

11 Dictionary

11.1 Dictionary

In this Audit, Finance & Risk Committee Charter:

- (a) **Board** means the board of directors of the Company;
- (b) **Committee** means the Audit, Finance & Risk Committee;
- (c) **Committee Chairperson** means the person appointed as chairperson of the Committee under rule 5.3;
- (d) **Company** means Gowrie NSW (ABN 57 001 894 659);
- (e) **Constitution** means the constitution of the Company;
- (f) **Purpose** means the purpose of the Company as set out in the Constitution; and
- (g) **Secretary** means a person appointed to the position of secretary of the Company in accordance with the Constitution.

11.2 Interpretation

In this Audit, Finance & Risk Committee Charter the following rules of interpretation apply unless the contrary intention appears:

- (a) the words 'such as', 'including', 'particularly' and similar expressions are not used as, nor are intended to be, interpreted as words of limitation;
- (b) headings are for convenience only and do not affect the interpretation of this Audit, Finance & Risk Committee Charter;
- (c) the singular includes the plural and vice versa;
- (d) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings; and
- (e) if there is any conflict between this Audit, Finance & Risk Committee Charter and the Constitution, the terms of the Constitution will prevail.

Amendments log

First approved: 30 August 2022		
First approved by: Gowrie NSW Board		
Amendments		
Date	Authorised by	Description of amendment