

Overall purpose and objectives

- 1.1 The Committee assists the YMCA North board in the monitoring of the financial performance and the compliance with those aspects of the Board's delegated authority policy that related to financial matters. While the Board of Directors has the fiduciary responsibility for the organisation, the committee serves as the leadership role in this area, overseeing the responsibilities as set out in the financially related policies of the organisation.
- 1.2 The Committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process and The Y's process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the Committee will maintain effective working relationships with the Board of Directors, management and the external auditors. To perform his or her role effectively, each committee member will obtain an understanding of the detailed responsibilities of committee membership as well as The Y's business, operations and risks.

Members of the committee

The committee membership consists of Two members of the Board of Directors.

In addition;

Any other member of the Board of Directors the Directors may choose to appoint from time to time.

At least one Board member on this committee must be a Chartered Accountant (CA ANZ or the like).

The CEO, CFO are required to attend, and any senior leaders of the YMCA North the CEO determines is required for a meeting to be appropriately informed.

Members will be appointed for a one-year term of office. All appointments to the Committee are to be confirmed following the YMCA North Annual General Meeting.

A quorum for any meeting will be one member.

Only board members have voting rights on this committee, however those board members appointed to the committee are expected to take into account the views of the other persons present at the committee meeting when making decisions. Where it is not possible to make a majority decision on any matter that decision will be delegated to the full Board of Directors for approval.

The committee does not have authority to commit the organisation financially or contractually in any form (this right reserved solely to the Board of Directors) unless the Board of Directors has granted a specific delegation to the committee

CHARTER OF THE AUDIT AND FINANCE COMMITTEE



Responsibilities

Provide direction to the board on fiscal responsibility and act as the custodians of the long-term fiscal wellbeing of an organisation incorporated in 1855 so as to ensure that YMCA North is able to meet its long term social objectives.

Ensure that financial risks to the organisations wellbeing are minimised.

Provide financial advice to the Board and to the CEO and to carry out tasks as requested by the board from time to time.

Regularly review the organisation's revenues, expenditure, Capital expenditure, cash flow, balance sheet, investments and other matters related to the YMCA North's ongoing solvency

Review and recommend to the Board of Directors the annual trading budget and any variations of the trading plans during the fiscal year as well all trading forecasts.

Monitor ongoing financial performance, make recommendations as the alternative courses of action as required and report on the performance to the annual budget (and revisions) to the Board of Directors.

Monitor and approve the commitment to tagged and other expenditure / special projects delegated to the committee by the Board of Directors.

Ensure the maintenance of an appropriate capital, funding and loan structures.

Oversee the maintenance of organisational wide assets including prudent management of investments.

Provide guidance on creating and validating longer term trading forecasts, cash flows and balance sheets and investment proposals (including alignment of these with the Board of Directors strategic plans), payback timelines and risk profiles.

Create, revise, and recommend to the Board of Directors any changes in organisational polices as it sees fit and put in place appropriate monitoring of all relevant Board polices, including the Treasury and Capital expenditure polices.

Act as a sounding board and provide advice to the CEO and leadership team as required by them, including process improvements.

Review and recommend the renewal and coverage extent of all insurance policies.

Evaluate whether management is setting the appropriate "control culture" by communications; the importance of internal control and the management of risk and ensuring that all employees have an understanding of their roles and responsibilities.

Consider how management is held to account for the security of computer systems and applications and the contingency plans for processing financial information in the event of a systems breakdown.

CHARTER OF THE AUDIT AND FINANCE COMMITTEE



Have an understanding of the current areas of greatest financial risk and how management is managing these effectively and all risks identified in the quarterly board's compliance certificate.

Put procedures in place that will prevent and detect any occurrences of fraud or error in The Y's operation.

Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements and advise the board accordingly

Review any legal and tax matters which could significantly impact the financial statements.

Review all aspects of The Y's activities not being monitored by the Board or other committees to ascertain the exposure to risk for The Y, whether it be risk of loss of assets from theft, fire or disaster, risk of loss of reputation as a good corporate citizen or risk of exposure of employees to unhealthy or dangerous circumstances. Other risks to consider will include risk of loss of computer records, and risk of loss arising from employees acting on behalf of The Y without the authority to do so. Then ensuring that procedures are in place to minimise the likelihood of loss or harm from each of the identified risks.

Review the annual financial statements and determine whether they are prepared in a timely manner and are complete and consistent with the information known to Committee members, assess whether the financial statements reflect appropriate accounting policies. Recommend to the YMCA North Board that the annual financial statements be approved by the board.

Meet with management and the external auditors to review the financial statements and the results of the audit.

Review the external auditors' proposed audit scope and approach and ensure no unjustified restrictions or limitation; agree the terms of the letter of engagement and audit fee proposed.

Consider the independence of the external auditor, including reviewing the range of services provided in the context of all consulting services bought by The Y.

Make recommendations to the YMCA North Board regarding the reappointment of the external auditors.

Ensure that significant findings and recommendations made by the external auditors are received and discussed on a timely basis and that management responds to recommendations by the external auditors appropriately and implements agreed recommendations

Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any fraudulent acts or non-compliance.

Be satisfied that all regulatory compliance and contractual matters have been considered in the preparation of the financial statements.

Regularly update the YMCA North Board about Committee activities and make appropriate recommendations.

CHARTER OF THE AUDIT AND FINANCE COMMITTEE



Ensure the YMCA North Board is aware of matters which may significantly impact the financial condition or affairs of the business, in particular in relation to the broader aspects of responsible corporate agencies and ethical and legal conduct.

Perform other oversight functions as requested by the YMCA North Board.

Authority

The committee is authorised by the Board to investigate any activity covered by its functions and responsibilities. It is authorised to seek any information it requires from any employee and all employees will be directed to co-operate with any request made by the committee. The Committee has no executive powers with regards to findings and recommendations.

Review and update the finance charter annually and recommend approval of changes proposed to the YMCA North Board.

November 2022