



Audit, Finance and Risk Committee Charter

The role of APPA's Audit, Finance & Risk (AF&R) Committee is to assist the APPA Board in fulfilling its governance responsibilities by providing oversight and direction of APPA's financial and risk management programs.

1. DUTIES AND RESPONSIBILITIES

In fulfilling its obligations, the AF&R Committee is to provide advice and recommendations to, and assist the Board in relation to:

Financial Management

- Review and provide oversight of the development of the annual budgeting process;
- Monitor the financial performance against the Board approved budget; and
- Ensure that financial reporting is provided to an appropriate standard, specifically that it is reliable and objective. The AF&R will examine and endorse the monthly financial statements prior to submission to the Board.

External Audit

- Annually review the performance and independence of the external auditors and make recommendation to the Board as to their continuation or replacement;
- Review the external auditor's annual financial report and make recommendation (as appropriate) to the Board;
- Review all reports of significant items from the auditors and report thereon to the Board; and
- Ensure that management responds promptly to the recommendations made by the auditors.

Investments

- Oversight and monitoring of the APPA's financial investments;
- Submit recommendations to the Board regarding its investments;
- Monitor and ensure reporting to the Board on the financial performance of investments; and
- Develop and review investment policy on an annual basis.

Compliance & Internal Controls

- Ensure there are processes in place to confirm compliance with laws, regulations, legal obligations, accounting standards and internal policies.
- Develop an internal audit plan to ensure the adequacy and effectiveness of financial and non-financial controls including the exposure to fraud and theft;

- Review audit evaluations and monitor the implementation of agreed actions by the Chief Executive Officer; and
- Monitor all financial matters and review major capital expenditure proposals.

Risk Management

- Ensure there is an adequate risk management framework developed and implemented;
- Monitor and review the Risk Register and other reporting of risk information to the Board, including steps to minimise such risks; and
- Annually review insurance coverage to ensure that proper and adequate insurance cover has been arranged to provide adequate financial compensation for insurable losses.

2. MEMBERSHIP AND MEETINGS

- The AF&R Committee shall be appointed by the Board and comprise of up to two Directors of the Board;
- The Board shall appoint a Director as AF&R Chair, who shall not be the Chair of the Board;
- The Chair of the Board will be ex-officio member of the Committee;
- The Chief Executive Officer is Secretary to AF&R and will attend all meetings;
- Directors of the Board may attend meetings of the AF&R Committee;
- All members of the AF&R Committee must be financially literate. It is desirable that at least one member has accounting or financial management expertise;
- The AF&R Committee may invite any staff or external or internal auditor to attend all or part of a meeting of the AF&R Committee;
- With Board approval, the AF&R Committee may procure independent experts and institute any investigation it considers necessary to fulfill its obligations and responsibilities;
- A meeting quorum shall be at least two Committee members;
- The AF&R Committee shall meet as a minimum on a quarterly basis;
- Membership of the AF&R Committee is to be reviewed by the Board annually.

3. AUTHORITY

The AF&R Committee acts as an advisory and review committee on behalf of the Board and as such does not have delegated decision-making powers unless specifically stated by the Board.

4. REPORTING PROCEDURES

The Committee Secretary must prepare the minutes of the Committee meetings and circulate to all Committee Members for review within one week following each meeting. Following approval by the committee, the minutes will be distributed to all Board Directors within 4 weeks of each meeting.

The Chair of the Committee shall report to the Board at each Board meeting as appropriate.

5. REVIEW OF AND ACCESS TO CHARTER

The AF&R Committee will review this charter every three (3) years or as often as the Committee determines and recommend to the Board any changes it determines necessary.

This Charter will be available to view on the APPA website and/or a copy will be made available on request.

6. HISTORY AND VERSION CONTROL

Version	Reviewed By	Approved By	Date Approved
1.0	Audit, Finance & Risk Committee	Board	5 th March 2020