

Finance Committee Charter

Functions

Purpose of the Committee

In accordance with the Public Governance, Performance and Accountability Act 2013 (Cth) (PGPA Act) and the Public Governance, Performance and Accountability Rule 2014, the primary function of the Bundanon Board Finance Committee (Committee) is to assist the Board in its oversight of the appropriateness of our organisation's:

- financial reporting
- performance reporting
- system of risk oversight and management
- system of internal control.

Functions of the Committee

The Committee acts as an advisory committee of the Board. It assists the Board in developing Board policy and monitoring organisational activity within the scope of this Charter. It also makes recommendations to the Board for consideration and approval. To accomplish its role, the Committee will:

- a. monitor the effectiveness of the enterprise risk management framework, its implementation and our adherence to procedures and make recommendations to the Board on changes to the framework
- b. monitor the effectiveness of the internal control environment and procedures designed to achieve compliance with laws, regulations, internal standards and policies
- c. oversee compliance relating to financial reporting and disclosure and regulatory reporting
- d. assist the Australian National Audit Office (ANAO) with the appointment, assessment and removal of external auditors, and oversee their independence
- e. annually review and advise on external audit fees, plans and their scope of works
- f. provide an effective forum for communication between the directors, Management and the external auditors.

The Board retains primary responsibility for managing transaction risk associated with individual counterparties and portfolio risk as a whole against available capital.

Duties and Responsibilities

Oversight of risk management and internal controls

- review and provide advice to the Board on the appropriateness of our:
 - ~ enterprise risk management framework and the necessary internal controls for the effective identification and management of our financial and non-financial risks
 - ~ approach to managing its key risks, including those associated with individual projects, exhibitions and program implementation activities
 - ~ key roles and responsibilities relating to risk management, with reference to any specific areas of concern or suggestions for improvement
- satisfy itself that the current areas of greatest financial and non-financial risk to Bundanon have been identified and that Management are effectively managing the risks
- satisfy itself that effective systems of operational controls are in place to manage non-financial risk such as business continuity, disaster recovery, reputation and cyber risk
- review the organisation's fraud control arrangements and satisfy itself regarding the adequacy of processes and systems in place to detect, capture and effectively respond to fraud risks
- satisfy itself that effective systems of accounting, administrative and operational controls are in place to manage financial risk so that timely and meaningful financial statements are available to stakeholders.

Financial and performance reporting

- review of the proposed annual budget, including assessing alignment to strategic and corporate plans, and the appropriateness of underlying assumptions
- review the annual and half-yearly financial statements and recommend acceptance by the Board
- review and advise the Board on the appropriateness of our accounting policies and practices in the light of relevant laws, accounting standards and principles
- review the appropriateness of our performance reporting and review the annual performance statement and refer to the Board for consideration and approval.

Compliance matters

- monitor compliance with obligations under the PGPA Act, the PGPA Rule and any other applicable legislation
- monitor compliance with Board approved financial and non-financial limits and controls
- monitor changes of significance to our organisation in relation to applicable laws, regulations, accounting policies and regulatory/reporting requirements
- monitor updates from Management regarding compliance matters that may have a material impact on our organisation

- advise the Board of any known significant compliance breaches.

External audit

- review the audit philosophy adopted by the external auditors and their systems and procedures
- review and assess the findings of the external auditors and the action taken as well as the timetable proposed by Management in response to those findings
- review, at least annually, the scope, results and performance of the external auditors.

Other responsibilities

- commission such special audits or investigations as may be necessary
- perform any other tasks the Board may authorise from time to time
- determine whether to approve any consultants to the ANAO undertaking any non-audit consultancy work for our organisation
- conduct its work in a proactive and outward-looking manner, having regard to better practice as it may apply in the context of our business, mandate and stakeholders.

Membership

The Committee will consist of at least three members, with a minimum of two non-executive Directors of the Board and one independent member to act as Chair, all of whom are not Bundanon employees. None of the Board Chair, CEO, Chief Operating Officer (COO), Corporate Services Manager or Chief Financial Officer shall be a Committee member.

All Committee members should have appropriate qualifications, knowledge, skills and experience to assist the Committee to perform its functions, and work in the best interests of the organisation and its success, with transparency and ethical behaviour at all times.

The Board will appoint Committee members. They will be subject to rotation as determined by the Board. The Board will appoint the independent member as the Committee Chair.

The Committee will manage succession planning for adoption by the Board.

Whenever possible, members designated will attend Committee meetings during a transition period prior to the retirement of the member that they will replace.

Any Board member is welcome to attend any Committee meeting (though only Committee members can vote).

Participation of Non-members

External auditors and employees of Bundanon may attend and participate (but will not be entitled to vote) at Committee meetings.

The CEO, COO, Corporate Services Manager and Chief Financial Officer are expected to attend Committee meetings, together with such other members of Management as the Committee determines.

The Committee will have a discussion with the external auditors as required, without members of Management in attendance.

The Committee will be entitled to call upon the expert advice it determines is appropriate to enable the Committee to satisfy its responsibilities and meet its objectives. The Committee will be provided with the necessary resources to obtain expert advice.

Conduct

Committee members are expected to understand and observe all legal and policy requirements, including those of the PGPA Act and PGPA Rule. Committee members are also expected to:

- act in the best interests of Bundanon
- apply good analytical skills, objectivity and judgement
- express opinions constructively and openly, raise issues that relate to the Committee's responsibilities, and pursue independent lines of enquiry
- contribute the time required to meet their responsibilities
- perform their duties with transparency and maintain a high standard of ethical behaviour at all times.

Meetings

The Committee will hold at least three meetings per year or such greater number as the Chair may determine. A Committee member may attend a meeting via telephone or video conference rather than in person.

At a Committee meeting, a quorum consists of two members. Committee members will not participate in discussions and will not vote on any issues in respect of which there is an actual, potential or perceived conflict of interest.

Minutes

The Board Secretary will keep minutes of Committee meetings. The minutes, or relevant extracts from them, will be provided to the external auditors.

External Auditors

The Committee is the channel to the Board for communication with the external auditors, including the ANAO and any consultants engaged by the ANAO.

The Committee will meet separately with the external auditors to discuss any matters the Committee or external auditors believe should be discussed privately.

The Committee will also:

- regularly review with the external auditors the scope of the external audit, identified risk areas and any other agreed procedures
- regularly review the effectiveness and independence of the external auditors
- meet periodically with the external auditors and invite them to attend meetings of the Committee to:
 - ~ review plans for carrying out internal control reviews
 - ~ consider any comments and recommendations made by the external auditors
 - ~ make recommendations to the Board
- monitor and report to the Board on Management's response to the external auditor's findings and recommendations
- review all representation letters to the external auditors signed by Management and ensuring information provided is complete and appropriate
- receive and review the reports of the external auditors.

Access to the Committee

On any matter within the Committee's charter, any Bundanon employee has access to the Committee Chair.

Access to Information and Management

Any access to Bundanon employee and business records required by the Committee in order to fulfil its charter will be arranged through the CEO, COO, Corporate Services Manager, Chief Financial Officer or Board Secretary.



Committee members must not use or disclose information obtained by the Committee for purposes others than those required by them to exercise their responsibilities as Committee members, unless otherwise approved in writing by the Committee Chair.

Reporting

The Committee Chair will provide a report to the Board following each meeting. The Committee will provide:

- copies of its minutes to the Board
- as often as necessary and at least annually, an update to the Board on the Committee's work over the previous 12 months
- any additional assistance as the Board may require.

Planning

Management and the Committee will prepare a forward program that details the matters it will consider during a rolling three-year period.

Review of Performance

The Committee will review the scope and effectiveness of its activities at least every two years. The review will incorporate relevant stakeholder input and the Committee Chair will provide a report to the Board.

Review of Charter

The Committee will review its performance against the Charter annually and will review the Charter at least biennially.



Effective Date	Document Owner	Rationale	Committee Approval	Board Approval	Review Date
18 May 2023	Bundanon Board	Charter Revisions to committee name, format and minor operational changes	02 May 2023	18 May 2023	18 May 2025