

# Finance, Audit, Governance & Risk Committee Charter

Name of Policy	Finance, Audit, Governance & Risk Committee Charter
Policy Number	FGR01
Date of Drafting	25 March 2024
Policy Status	Approved
Approval Authority	Biathlon Australia Board
Date(s) of Approval by:	31 March 2024
Date Effective	1 April 2024
Contact Person	Mark Bradford
Date for Next Review	Annually, and as necessary

## Table of Contents

Vision .....	1
Purpose.....	1
Authority.....	2
Membership .....	2
Committee Chair .....	3
Invitees.....	3
Meetings .....	3
Quorum and voting .....	3
Education .....	4
Conflicts of interest .....	4
Reviews .....	4
Appendix 1: Finance, Audit, Governance & Risk Committee responsibilities .....	5

## Vision

The Strategic Vision of Biathlon Australia is to **Build a Better Biathlon for All**.

## Purpose

The Finance, Audit, Governance and Risk Committee (Committee) is appointed by the Biathlon Australia (BA) Board under Clause 19.4 of the BA Constitution to assist the board fulfil its governance and oversight responsibilities relating to the:

- preparation and integrity of BA's financial accounts and statements;
- review of cash flow, capital and operating budgets and balance sheet prepared by management and recommending these to the board for approval;
- periodic review of financial forecasts;
- financial requirements of the business plan including any budgetary requirements or budgetary amendments caused by modifications to the business due to variations in the key assumptions;
- approval of businesses cases within the approved operational budget, overseeing the property and procurement strategies;
- review of Finance Policy, Risk Policy and Financial Delegations Policy and recommend amendments from time to time;
- qualifications, independence, engagement, fees and performance of BA's external auditor;
- external auditor's annual audit of BA's financial statements; and
- establish and review Board developed statement for risk appetite and established risk tolerances acceptable to BA
- approval of risk management policy and internal controls
- review management developed risk profile, covering the principal enterprise-wide risks, including strategic, operational, legal and financial. (Risk assessment dashboard).
- review reports from agencies, investigators and other significant reports relating to risk and report on adequacy of responses.
- BA's compliance with legal, regulatory and compliance policies ensuring adequate controls and protections are established.

The existence of the Committee does not imply the fragmentation or diminution of the role of the board to ensure the integrity of BA's financial reporting.

This Charter provides a Terms of Reference as required by BA's Constitution to outline the roles, responsibilities and composition of the Committee and the way it discharges its obligations.

## Authority

The board has authorised the Committee, within the scope of its duties and responsibilities set out in appendix 1 to this Charter and otherwise in this Charter to:

- perform the activities required to address its responsibilities and make recommendations to the board;
- oversee the appointment, compensation and work of any registered company auditor employed by BA;
- resolve any disagreement between management and the external auditor, with areas of significant disagreement advised to the board;
- discuss any matters with BA's accountant, external auditor or other external parties (subject to any applicable confidentiality obligations);
- select, engage, and approve fees for any professional advisers that the Committee may require to carry out its duties;
- require the attendance of any BA manager, officer or staff member at meetings as appropriate; and
- have unrestricted access to management, employees and information it considers relevant to its responsibilities under this Charter.

## Membership

The Committee appointed by the board shall comprise at least three, and no more than five, members (inclusive of the Committee Chair). The board, usually on the recommendation of BA's nominations committee, will appoint Committee members and the Committee Chair. At least one member of the Committee shall be an independent individual who shall be qualified as a Chartered Accountant or Certified Practising Accountant.

The Committee members shall be:

- "financially literate" as defined by the board (i.e. able to read and understand financial statements and challenge information presented in Committee meetings); and
- "risk management literate" as defined by the board (i.e. conversant with risk management principles and standards, and have a sound understanding of SA and the industry in which it operates).

Committee member rotation is encouraged. Membership of the Committee is to be reconfirmed annually by the board in alignment with the annual general meeting.

The Company Secretary or their designate is the Committee Secretary. The Committee Secretary will assist the Chair to develop and distribute agendas, papers, minutes and calendar.

## Committee Chair

Following consultation with the Directors, the board Chair proposes the Committee Chair for approval by the board. The Committee Chair cannot also be the Chair of the board.

Should the Committee Chair be absent from a meeting, the Committee Members present must appoint a Chair for that particular meeting, who should not be the Chair of the board.

## Invitees

Any person may be invited by the Committee Chair to attend meetings of the Committee, but not necessarily for the full duration of the meeting. If not already members of the Committee, a standing invitation shall be issued to any of the following positions, if relevant:

- Chief Executive Officer
- Finance Manager or Executive Officer
- Engagement Partners of the external audit firm.

Invitees may take part in the business of, and discussions at, the meeting but have no voting rights.

## Meetings

The Committee must meet at least four times per year and participants may attend by video conference (such as Teams or Zoom) and/or teleconference.

The Committee Chair, any Committee member or the Committee Secretary may call a meeting of the Committee. The external auditor may also request a meeting and such a request is to be met.

The notice and agenda of a meeting will include relevant supporting papers.

The Committee may invite other people to attend Committee meetings and consult with other people to seek information it considers necessary to fulfil its responsibilities.

## Quorum and voting

A quorum will consist of more than half the Committee members. A quorum must be present throughout the meeting.

Matters will be decided by consensus, or if consensus is not achievable, then by a majority of votes of members present. The Committee Chair shall not have a second or casting vote. Minutes

The Committee Secretary or delegate must prepare the minutes of the Committee within seven working days of the meeting. After the Committee Chair has given preliminary approval, the draft minutes are circulated to all Committee members and the other Directors of the board.

The minutes must be ratified at the next Committee meeting and signed by the Committee Chair

of the next meeting.

## Education

The board is responsible for providing new Committee members with an appropriate induction program and ongoing educational opportunities.

## Conflicts of interest

Committee members will be invited to disclose conflicts of interest at the commencement of each meeting. Ongoing conflicts of interest need not be disclosed at each meeting once acknowledged. Where members or invitees are deemed to have a real or perceived conflict of interest, they will be excused from Committee discussions on the issue where a conflict exists. The Committee secretary will keep a register of Committee members' declared conflicts of interest.

## Reviews

The Committee will review at least annually this Committee Charter and recommend to the board for approval any appropriate amendments.

The Committee will review its performance annually and conduct a self-assessment coordinated by the Committee Chair.

## Appendix 1: Finance, Audit, Governance & Risk Committee responsibilities

In assisting the board fulfil its responsibilities, the duties of the Committee shall be:

### Assessment of financial information

- Review any significant accounting and reporting issues, including professional and regulatory announcements and to understand their effect on BA's financial statements.
- Review the annual financial statements of BA which require approval of the board and discussion of the financial statements with the external auditor and management before submission to the board.
- Recommend for approval by the board BA's draft annual budget and monitor performance against it.
- Advise the board on the adequacy, framework and controls relating to the entity's internal budgeting and reporting.
- Advise the board on the cash flow, capital and operating budgets and review and advise the board of any issues in relation to the liquidity needed to support the strategic plans.

### External auditor

- Recommend to the board the appointment, evaluation and dismissal of the external Auditor, including independence matters.
- As required by the board review and approve the external auditor's proposed audit plan and audit approach, summary management report, including materiality levels.
- Review and agree on the terms of engagement and the audit fees for the external auditor prior to the commencement of each audit.
- Review the external auditor's summary management report, detailing the results and significant findings from the audit, and management responses.

### Strategic risks and internal controls

- Establish and review Board developed statement for risk appetite and established risk tolerances acceptable to BA
- Review management developed risk management policy
- Review management developed risk profile, covering the principal enterprise-wide risks, including strategic, operational, legal and financial. (Risk assessment dashboard).

## Operational risks and internal controls

- Review effectiveness of management policies and procedures for internal control environment
- Review incident reports, investigations and report on adequacy of responses
- Review insurance activities and requirements

## Financial risks and internal controls

- Review and monitor budgetary risks resulting from variances in the business plan assumptions
- Review and advise the board on the key performance indicators to ensure they are tied to the value drivers and financial results.
- Review and advise the board on the adequacy of BA's response to reports from the Finance Manager and, as far as practicable, external audits.
- Ensure executive remuneration risk and controls are linked to the overall risk profile

## Compliance

- Review the effectiveness of BA's approach to achieving compliance with laws, regulations, industry codes and BA policies.
- Review any correspondence from regulatory bodies regarding significant issues.
- Ensure that there is a process for the board Chair and Committee Chair to be immediately informed of any issues of significant non-compliance or litigation, when implemented.
- Ensure that BA is complying with the ASC mandatory governance requirements relating to sport transparency and reporting requirements.

## Governance

- monitor compliance with statutory obligations under any relevant laws and regulations
- statutory records
  - maintain registers
  - ensure requisite retention of documents and records
- ensure completion and lodgement of statutory forms/returns and reporting under the Corporations Act and other relevant legislation/regulation, including
  - half-yearly and annual accounts
  - annual return
  - change in Directors, secretaries



- monitor adherence with the Company's Constitution and Governance charter (as applicable)
- review developments in corporate governance and recommend standards which it considers are appropriate and in the best interests of the Group;
- monitor the independence of Directors and review the criteria for assessing independence; and
- considers questions of possible conflicts of interest arising for Directors, and reviews existing behaviour and ethical guidelines for Directors.

## Reporting

- The Committee Chair will provide approved and signed minutes to the board subsequent to each Committee meeting.