



WPWAI AUDIT & FINANCE COMMITTEE

TERMS OF REFERENCE

1. ROLE

The purpose of the Audit & Finance Committee (AFC) is to assist the Board in discharging its oversight responsibilities relating to the integrity of the organisation's financial management and reporting and the effectiveness of the organisation's internal controls and financial risk management. The independent audit process is overseen by the AFC, including recommending the appointment and assessment of the performance of the external auditor.

The existence of the AFC does not relieve Board members of their responsibilities for these matters.

2. FUNCTIONS

The AFC will be responsible for the following functions:

I. Annual Financial Statements

- Review the draft financial statements and make recommendations to the Board on their acceptance or amendment.
- Review accounting policies and treatments having an impact on the financial statements and make recommendations to the Board on their approval or amendment; and
- Assess whether the financial statements are consistent with AFC members' information and knowledge and are adequate for the needs of the organisation's members.

II. External Audit Services

- Review and assess key areas relating to the external audit including fees, its scope as contained in the letter of engagement and the relationship with the external auditors including advice to the Board on the appointment and where appropriate the replacement of the external auditors; and
- Review the provisions of non-audit services by the auditors during the year and whether this has compromised the auditor's independence.

III. Financial Performance & Internal Controls

- Review and make recommendations to the Board on WPWAI's financial performance and financial condition.
- Review and discuss with management the organisation's policies, procedures, delegations, controls and compliance systems with respect to the assessment and management of financial risks.

IV. Annual Budget

- Assist as required, with the development and monitoring of the annual budget and its presentation to Board.

3. MEMBERSHIP

The AFC will consist of:

- I. The WPWAI General Manager
- II. At least one Board member



- III. A maximum of five (5) other appointments made by the Board

For the avoidance of doubt, AFC members are not required to be a member of WPWAI.

4. APPOINTMENT

Members of the AFC shall be appointed within the following guidelines:

- I. Member appointments to the AFC shall be effective for two years.
- II. Where a Board member's tenure of appointment to the Board expires prior to that of the AFC, the appointment will be for the Board member's natural term.
- III. The Chair of the AFC will be recommended by the AFC members and forwarded to the WPWAI Board for endorsement.
- IV. The Chair of the Board must not be a member of the AFC.
- V. All members of the AFC must be financially literate (that is, able to read and understand financial statements).
- VI. At least one member of the AFC must be a qualified CA or CPA or other finance professional with significant relevant finance and/or accounting expertise.

The Board may advertise an expression of interest for suitably qualified candidates from the public to become members of the AFC who may also serve as the Chair.

5. MEETINGS

- I. The AFC shall meet quarterly (as a minimum).
- II. A quorum will be three members of the AFC. In the absence of the Chair, the remaining members of the AFC will elect one of their number as Chair of the meeting. The AFC Chair shall not have a second or casting vote.
- III. Meetings will be held as determined by the Chair of the AFC, to correspond with the financial reporting cycle.
- IV. The Chair is required to call a meeting of the AFC upon request by either the Chair of the Board, General Manager, or external auditors and members shall be given at least seven (7) days notice of the meeting.
- V. Agendas and supporting documentation are to be made available to AFC members by the last day of the week preceding the meeting.
- VI. AFC meetings must be minuted, and the minutes made available to the Board at its next meeting following the meeting of the AFC.

6. CONFIDENTIALITY

All business of the AFC is confidential and must be treated as such. Members are not to disclose any confidential information to anyone outside the GRNC and are to treat this material with the utmost care and discretion.

7. TERMS OF REFERENCE CHANGES

The Board may make changes to these Terms of Reference at any time.