

## Terms of Reference – Finance & Audit Committee

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Date approved by Board:	26 May 2016

### Purpose

The Finance & Audit Committee is a sub-committee of the Robogals Global Board, established to assist the Board to discharge its responsibilities. In particular, the Committee shall assist the Board by its oversight and review of:

- the integrity and reliability of information prepared for use by the Board, including financial information; and
- the integrity of Robogals internal controls affecting the preparation and provision of that information in determining policies or for inclusion in the financial report.

The Committee is not responsible for the executive management of these functions. In performing its duties, the Committee shall maintain effective working relationships with the Board, management and external auditors.

### Responsibilities

The Finance & Audit Committee shall:

#### **Financial Reporting**

- Review the annual financial reports and provide advice prior to their consideration by the Board
- Review key accounting policies established by Management and make recommendations to the Board in relation to accounting policies, or changes, or required changes, to the major accounting policies of Robogals
- Receive and review reports from management and the external auditors regarding compliance with approved accounting policies
- Monitor the adequacy of financial information provided to the Board

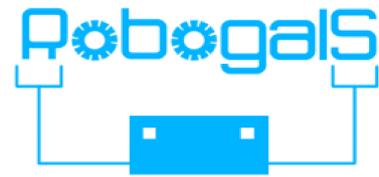
#### **Auditor Independence and Performance**

- Assess the plans of the external auditors, to ensure it covers higher-risk areas and provide material assurance regarding compliance with relevant laws and regulations as pertaining to the financial report
- Review the extent to which the planned audit scope can be relied upon to detect weaknesses in internal control, fraud or other illegal acts
- Review management letters containing material findings or recommendations raised by the external auditors and monitor the nature and timeliness of management action in response to findings
- Review the extent to which the external auditors achieve their key performance indicators.
- Liaise with the external auditors, including in the absence of all management, in relation to the preparation of the audited accounts of Robogals and other control issues
- Directly oversee the external audit tender process

The Committee shall review and confirm the independence of the external auditors. The auditor's independence is governed by the *Corporations Act 2001* and Australian Accounting Professional and Ethical Standards. The Committee shall obtain statements from the external auditors confirming their independence under these relevant legislative and professional requirements.

#### **Integrity of Audit and Risk Controls**

# Robogals Global Board



- Evaluate the adequacy and effectiveness of the internal financial and other controls used by Robogals to ensure the accuracy and integrity of all information provided to the Board and to others outside Robogals; and
- Where the Committee considers it necessary, it shall enquire into the resources, systems and controls of Robogals as they affect the audit, financial management, risk or compliance functions or the integrity of the systems and controls relating to those functions, and shall make any resulting recommendations to the Board.

## Membership

The Finance & Audit Committee shall consist of a minimum of three (3) Directors. So far as is possible, it shall comprise a majority of non-executive Directors, and a majority of Directors who are independent.

The Committee shall comprise members who are financially literate, i.e. they must be able to read and understand financial statements.

The Committee shall have at least one member with financial expertise, i.e. is a qualified accountant or other financial professional with experience of financial and accounting matters.

The Directors on the Finance & Audit Committee can invite individuals external to Robogals to sit on the Committee.

The CEO and CFO shall generally attend meetings of the Committee.

The Committee or Committee Chair can invite other individuals to attend meetings as required.

## Appointment

The Robogals Global Board shall at their first meeting following the Annual General Meeting (AGM) in each year, determine the Directors who shall sit on the Committee until the following AGM. The Board may also appoint or remove Directors from the Committee at any time.

Other members of the Committee who are not Directors shall be appointed by the Directors on the Committee.

Membership of the Committee shall be reviewed annually by the Board to ensure an appropriate balance between continuity of membership, the contribution of fresh perspectives and a suitable mix of skills, knowledge and experience.

## Chair

The Finance & Audit Committee shall appoint a member of the Committee as Chair. The Committee Chair shall be a Director. The Chair is responsible for leading the Committee within its Terms of Reference and reporting to the Board, as agreed upon. The Chair shall not be the Chair of the Board, and must be independent.

## Frequency and Quorum of Meetings

The Committee shall meet at least quarterly face-to-face or more frequently as required. Special meetings may be called at the request of any Committee member or the external auditor.

Any Director who is not a member of the Committee shall have the right to attend meetings of the Committee as an observer.

A quorum to transact the affairs of the Committee is two members or a majority of the Committee, whichever is greater.

## Record of Meetings

The Finance & Audit Committee shall ensure that an agreed written record of each of their meetings is made available to the Robogals Global Board.

# Robogals Global Board



## Authority

The Finance & Audit Committee has authority to:

- Investigate any matter brought to its attention
- Have direct access to any Robogals records
- Have direct access to any volunteer or contractor of Robogals Global or a subsidiary, and seek any information that it requires from any volunteer of Robogals Global or a subsidiary, in order to discharge its responsibilities; and
- Have direct access to independent auditors, tax and other financial advisors and external lawyers.

## Powers

The Finance & Audit Committee has an advisory role to assist the Robogals Global Board and does not have any power to commit the Board to any recommendation or decision made by it except if it has express delegated authority from the Board.