



Alkira Centre – Box Hill Inc.

TERMS OF REFERENCE

FINANCE, INVESTMENT, RISK AND PROPERTY COMMITTEE

The Finance, Investment, Risk and Property Committee (FIRP) is a Sub-Committee of the Alkira Board of Directors. (Board)

MEMBERSHIP

The Committee shall consist of the President, Treasurer, CEO and Finance Manager and additional Board members as determined from time to time.

Additional persons may attend meetings, by invitation from the Committee, in an advisory capacity.

APPOINTMENT

The Board shall at their first meeting following the Annual General Meeting (AGM) in each year, determine the members of the Committee.

FREQUENCY OF MEETINGS

The Committee shall meet at least quarterly each year. A quorum for each meeting shall be at least 3 members.

RECORD OF MEETINGS

The Committee shall ensure that a record of each of their meetings is made available to the Board in a format determined by the Board.

FUNCTIONS OF THE COMMITTEE

The key functions of the Committee will be as follows:

- Oversight on Alkira’s long term financial viability and sustainability
- Oversight on Alkira’s investment portfolio.
- Reviewing any changes to the “business model” which may arise from changes to funding arrangements proposed by the NDIS.

- Reviewing the annual financial performance including annual budgets, operational outlooks, cash flows, major capital expenditure programs etc.
- Ensuring that the annual financial audit is conducted in a timely and efficient manner
- Ensuring there is an adequate internal control framework in place to minimise financial risks
- Ensure that there is an appropriate Risk Management framework in place to manage, monitor and report on all key risks ( including financial risks)
- Assist the management team to develop and review the property master plan for Alkira and ensure it supports the broader Alkira Strategic Plan
- Ensuring that correct processes are employed in dealing with any Alkira property
- Monitor projects approved by the Board, through the delivery stage to ensure their completion on time and within budget
- Monitor the maintenance of Alkira's property assets, serviceable condition, and required level of reliability to ensure their efficient operation
- Monitor the purchase and sale of the physical assets of Alkira for approval by the Board
- To oversee major capital expenditure projects and report progress on a timely basis to the Board
- To engage consultants where necessary to assist in the implementation of projects
- To advise the Board and CEO on all property and facility matters
- To ensure that Alkira has appropriate procedures and processes to manage all risks associated with the use of its properties and facilities
- To review the annual insurance review process

## KEY RESPONSIBILITIES

### Internal control

- Review whether management's approach to maintaining an effective internal control framework, including over external parties such as contractors and advisers, is sound and effective;
- Determine whether the appropriate processes are in place to assess, at least once a year, whether key policies and procedures are complied with;
- Review whether appropriate policies and supporting procedures are in place for the management and exercise of delegations;
- Consider how management identifies any required changes to the design or implementation of key internal controls; and
- Assess whether management has taken steps to embed a culture which is committed to ethical and lawful behaviour.

### Financial statements

- Satisfy itself that the financial statements are supported by appropriate management sign-off on the statements and on the adequacy of key internal controls;
- Review the financial statements and provide advice to the Chief Executive; (including whether appropriate action has been taken in response to audit recommendations and adjustments to the draft financial statements) and recommend their signing by the Board; and
- Review the processes in place designed to ensure that financial information included in the annual report is consistent with the signed financial statements.

#### Legislative and policy compliance

- Review the effectiveness of the system for monitoring compliance with those laws, regulations and associated government policies that the entity must comply with;
- Determine whether management has appropriately considered legal and compliance risks as part of the entity's enterprise risk management plan;

#### External audit

- Act as a conduit for communication between the Board, senior management and external audit;
- Provide input and feedback on financial statement and performance audit coverage proposed by external audit, and provide feedback on the audit services provided;
- Review all external audit plans and reports in respect of planned or completed audits and monitor management's response and implementation of audit recommendations; and
- Provide advice to the Board on action to be taken on significant issues raised in relevant external audit reports or better practice guide.

Updated 16<sup>th</sup> August 2020

Approved draft

Subject to Board sign off