

Finance, Audit and Risk Committee Charter

PURPOSE

The **Finance Audit and Risk Committee** has been established in accordance with Clause 13 of the AAA Ltd Constitution. The committee's purpose is to assist the AAA Board and the National Office with issues that are too complex and/or numerous to be handled in their entirety. The committee's sole purpose is to recommend a position to the Board and assist as guided by their Terms of Reference below.

Terms of Reference

Under the co-ordination of the AAA Treasurer, **the Finance, Audit and Risk Committee** is responsible for:

- 1) Recommend the external auditor's appointment / removal, reviewing the auditor's performance and scope of the audit;
- 2) Review the Company's published financial results;
- 3) Report to the Board on matters relevant to the committee's role and responsibilities;
- 4) Review audit management letters to monitor remedies to correct noted deficiencies;
- 5) To assist the Board oversee the risk management framework
- 6) Establishing the delegation framework
- 7) Ensure the timely adoption of and adherence to all relevant accounting policy changes;

Other issues as identified by the Committee and/or raised by the membership and approved by the Board.

COMPOSITION

The Committee shall comprise of up to five [5] AAA members with relevant expertise and experience. The AAA's Chief Executive Officer and Finance Manager will take part in meetings of the Committee as observers and provide input as required. A representative of the Animal Health Australia's finance team who complete the AAA's management accounts will sit in the meetings of the Committee as an observer and provide input as required.

The Committee may be disbanded at the discretion of the Board at any time in accordance with the constitution

REPORTING

The AAA Treasurer is the Board's representative on the Committee and will act as Chair.

The Committee will meet a minimum of twice per year or as required. The Chair, in consultation with the staff member will convene a meeting of the Committee. The quorum at those meetings will include a majority of Committee.



All formal outgoing correspondence including electronic communiqués shall be signed by the President, AAA Director Responsible, or delegated staff member; the contact person for further reference being identified.

TERM OF OFFICE

The role, terms of reference, responsibilities and membership of the Committee shall be reviewed annually by the Board. Maximum term for a committee member is 3 years.

RESPONSIBILITIES

The Committee, in the exercise of its responsibilities, shall conform to the Constitution, and supporting Regulations of the AAA.

Neither the Committee nor any of its members shall enter into any agreement and/or contracts that are binding on the AAA.

All action plans, rules, policies and protocols must be referred to the Board for adoption prior to implementation.

Where the Committee needs to utilise National Office staff to carry out any Board approved new function or role, the Chair will discuss this with the CEO who will assign appropriate resources.

In accordance with policy, all inward correspondence including electronic communiques must be referred to the National Office in the first instance. All formal outgoing correspondence including electronic communiques shall be signed by the President, CEO or the AAA Director(s) responsible, the contact person for further reference shall also be identified.

Approved by AAA Board May 2020