BASEBALL CANBERRA FINANCE, AUDIT AND RISK COMMITTEE

CHARTER & TERMS OF REFERENCE (TOR)

1. The Baseball Canberra (**BC**) Finance, Audit and Risk Committee (**FAR Committee**) is established by the Directors under clause 21.4 of the BC Constitution as a Committee of the Board of BC.

2. Clause 21.4 provides (<u>see emphasis</u>):

> *(a) A FAR Committee must be established by the Directors.*
> *(b) The composition, duties and functions of the FAR Committee shall be defined in the FAR Committee terms of reference which must include an external independent Certified Practicing Accountant or Chartered Accountant as Chair that is <u>not</u> a Director.*

PURPOSE AND OBJECTIVES

3. The functions of the FAR Committee include:

- Review of BC's annual financial statements before submission to the Board for approval;
- Liaising with BC's auditors on any/all matters concerning BC's annual financial audit;
- Regular review of the adequacy and integrity of BC operational accounting, internal auditing, reporting and other financial and operational management systems and practices;
- Annual risk management review in accordance with ISO 31000;
- Review of BC risks and financial practices, review of existing policies (including BC Risk Matrix) and practices to ensure compliance with all applicable laws;
- Drafting of (new) BC policies and/or guidance materials (for Board approval) to assist BC and its staff with identified gaps, where relevant; and
- Annual review of this Charter and TOR for Board endorsement.

4. The FAR Committee assists Directors by providing an additional 'layer' of oversight of the financial management of BC; will closely monitor BC's monthly performance against budget and risk management thresholds set by the Board; and will provide early notification (where possible) to thew Board of significant trends and risks identified by the FAR Committee.

DUTIES AND SCOPE OF DELEATED POWERS

5. The FAR Committee's responsibilities and functions are as follows:

- Recommend the appointment of, ensure the independence of, and scrutinise the services provision and remuneration of BC external auditors;
- Provide a link between external auditors, the Board and BC General Manager;
- Assist Directors in relation to the reporting and briefing of financial information to assist in effective Board oversight and decision making and to prevent insolvent trading;
- Review BC's draft annual budget / operating budget before submission by the BC General Manager to the Board for approval, including periodic review where changes are made to that budget;

- Attend BC AGMs and brief members (on behalf of the Board) on BC's financial standings; and
- Oversee any other financial review / scrutiny matters as delegated by the Board to the FAR Committee from time to time.

COMMITTEE COMPOSITION

6. The FAR Committee shall be made up of the following persons:

- External independent Certified Practicing Accountant or Chartered Accountant as Chair (<u>this person must not be a Director</u>);
- At least two members of the Board (as nominated by the Board); and
- BC General Manager (*Ex-officio*).

7. The Board appoints the Chair of the FAR Committee. The Chair of the FAR Committee <u>must not</u> be a Director of BC. The Chair must hold relevant qualifications per clause 21.4 of the Constitution.

8. Those Board members who hold office as members of the FAR Committee shall do so for a term of 12 months and are eligible for reappointment.

9. The Board may appoint additional members to the FAR Committee or remove and replace members of the FAR Committee by majority vote Board resolution.

10. Members may withdraw from membership of the FAR Committee by written notice to the Board.

11. Non-committee members (e.g. BC's external auditors or other financial SMEs) may attend meetings of the FAR Committee at the invitation of the FAR Committee chair.

12. It is intended that all members of the FAR Committee should be financially literate and have familiarity with financial and risk management and at least one member should be a qualified accountant or other finance professional with experience of financial and accounting matters.

MEETING FREQUENCY

13. The FAR Committee shall meet a minimum of 3 times per year; coinciding with the BC annual reporting period, in preparation for BC AGMs/briefing the membership and as otherwise required (the FAR Committee may be supported administratively by a Secretariat appointed by the Chair).

QUORUM FOR MEETINGS

14. At least two members, comprising the independent Chair and at least one (1) BC Board member, not including the BC General Manager. The Chair will have the casting vote on matters, where required.

MINUTES, AGENDAS AND PAPERS

15. Meeting agenda and papers will be distributed five working days prior to committee meetings, where possible (again, the FAR Committee may be supported administratively by a Secretariat appointed by the Chair).

16. The Chair will ensure that accurate minutes are taken and actions/recommendations for the BC Board reported per the timings below:

- Draft minutes will be circulated to members within 7 days of FAR Committee meetings for comment/changes (if any), and
- Final/approved minutes circulated to committee members and the BC Board within 14 days of the FAR Committee meeting.

TOR ADOPTION & REVIEW

17. The BC Board approved this policy, out of session, on 3 August 2026.

8.1.1. 2027 annual review: TBC

8.1.2. 2028 annual review: TBC

8.1.3. 2029 annual review: TBC

8.1.4. 2030 annual review: TBC