Terms of Reference - Finance and Audit Committee

The **Finance and Audit Committee** is established as a committee of the Royal Zoological Society of

Approved by	**RZSSA Board**
Approval date	July 2026
Next review date	June 2029

SA Inc Board (RZSSA). This document shall be read in conjunction with the RZSSA Board Charter.

COMMITTEE'S GENERAL PURPOSE AND OBJECTIVE

Section II of the Rules of the Society outline the requirement for the Board to appoint a Finance and Audit Sub Committee of not less than three and not greater than five Board members. The Rules outline the functions which are to include:

- Reviewing of annual financial statements of the Society prior to their approval by the Board;
- Liaising with auditors on all matters concerning the conduct and outcome of annual audits of the Society;
- Regular reviewing of the adequacy of accounting, internal auditing, reporting and other financial and operational management systems and practices of the Society; and
- Ensuring compliance with the Rules, the Act and other applicable Laws.

The committee will provide oversight of the financial management of Zoos SA and closely monitor the monthly performance against budget.

DUTIES & SCOPE

The Committee's key responsibilities and functions are:

- Recommend the appointment, ensure the independence and set remuneration of the internal and external auditors;
- To provide a link between the external auditors, the Board and management of the Society;
- To assist the Board in relation to the reporting of financial information;
- To review the draft annual budget before it is submitted to the Board for approval; and
- Oversee any other financial review matters delegated to the Committee by the Board from time to time.

The following are intended to form part of the normal procedures for the Committee's audit responsibility:

- Engage in the pro-active oversight of the Society's financial reporting and disclosure processes and overseeing and reviewing the outputs of those processes (including review of the Society's financial statements for accuracy and to ensure they reflect a true and fair view, as a basis for recommendation to and adoption by the Board).
- Assist the Board in determining the reliability and integrity of accounting policies and financial reporting and disclosure practices.
- Review financial statements for adherence to accounting standards and policies and other requirements relating to the preparation and presentation of financial results and oversee the financial reports and the results of external audit of those reports (including assessing whether external reporting is consistent with the Committee members' information knowledge, and is adequate for stakeholders needs).
- Review the appropriateness of the accounting policies adopted by management in the composition and presentation of financial reports (or any changes made or contemplated in relation to the Society's accounting policies) and make recommendations to the Board in relation to the approval of those policies (and of any amendments) and assess the management processes supporting external reporting.
- Ensure that procedures are in place to verify the existence and effectiveness of accounting and financial systems and other systems of internal control which relate to financial risk management.
- Ensure that sufficient resources are available to enable an effective audit to be conducted in areas identified for internal audit review.
- Ensure that no management or other restrictions are placed on internal audit activities.
- Review reports in relation to audit findings, management responses and action plans in relation to those findings.
- Approve the scope of the external audit.
- Review the procedures for selection and appointment of the external auditors.
- Assume responsibility for recommendations to the Board regarding the appointment (including the termination of an engagement) of the external auditors and making decisions on the compensation, terms of engagement and other contractual terms of the external auditors.
- Develop and oversee the implementation of the Society's policy on the engagement of the external auditor to supply non-audit services and ensure compliance with that policy.
- Provide advice to the Board as to whether the Committee is satisfied that the provision of non-audit services is compatible with the general standard of independence, and an explanation of why those non-audit services do not compromise audit independence, in order for the Board to be in a position to make the statements required by the *Corporations Act* 2001 (Cth) to be included in Society's annual report.

The Committee's specific function with respect to finance is to:

- Review the monthly financial report with appropriate comparison to budget and prior years and ensure adequate documentation of material variances
- Review the draft annual budget before it is submitted to the Board for approval
- Oversee the Group's taxation arrangements and processes and review material taxation advice and services provided to the Society

- Oversee any other financial review matters delegated to the Committee by the Board from time to time, which may include proposals for significant capital expenditure and investments
- Ensure that debt facilities are effectively managed and complied with
- Ensure appropriate oversight of the management of investments

The Board will, in line with the TOR, review the membership and Charter of the Committee to determine its adequacy for current circumstances and the Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.

COMPOSITION

- Chair & Board members (as nominated by the Board)
- Chief Executive (Ex Officio)
- Director Corporate Services, or delegate as approved by the Committee (Ex Officio)
- External member if considered necessary by the Board

The Board may appoint an individual who is not a director to be a member of a Committee where it considers such an appointment to be appropriate to enhance the relevant skills and experience on the Committee.

The Board may appoint additional members to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board.

Non-committee members, including members of management and the external auditor may attend meetings of the Committee at the invitation of the Committee chair.

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

FREQUENCY OF MEETINGS

The Committee shall meet a minimum of 6 times per year. All meetings will be formally minuted and records of actions arising kept. The Committee will be supported by the Personal Assistant to the Chief Executive. A quorum is at least 2 members with at least one to be a Board Member.

QUORUM

A quorum for meetings will be at least two members, one of whom is a Board member, not including Management. The Chair will have the casting vote if required.

MINUTES

The Chair will ensure that minutes of the Committee's and any recommendations are recorded. Agenda and Papers will be distributed five working days prior to the meeting where possible. Minutes will be circulated to all members of the Committee and to the Board. Minutes will be circulated to members prior to the next meeting of the Committee.

Associated Policies and Procedures	Investment Activities Policy
References	RZSSA Board Charter, RZSSA Rules