

Stewardship and Resources Committee

Terms of Reference

24 July 2018

1. PURPOSE

The Constitution of EREA stipulates that a Stewardship and Resources (Finance) Committee (SRC) is created. The SRC will ensure that the EREA Board is kept apprised of all matters financial relating to the operations of EREA. The SRC will take cognisance of all financial statutory and reporting requirements together with the adoption of best practice procedures and policies.

2. SCOPE

The Committee will focus on policy direction and strategic review of EREA's performance in these areas and monitor the implementation of EREA's Strategic Directions related to organisational sustainability. The areas for monitoring are as follows:

- Maintaining financial stewardship;
- Monitor EREA's financial management, financial performance and external financial reporting;
- Review the annual financial statements (Parent Entity and Consolidated Entity) and make a recommendation to the Board;
- Meet with external auditors on an annual basis, including an in-camera meeting;
- Review progress on external audit recommendations;
- Make recommendations to the Board on the performance and future appointment of auditors;
- Review the findings of internal audit and meet in-camera if necessary;
- Make recommendations to the Board on the annual audit plan;
- Considering the financial impact of strategic proposals and planning priorities;
- Where required under EREA Policies, recommend to the EREA Board resource and capital allocation for capital works programme, major projects, systems and general administration;
- Monitor the implementation and effectiveness of financial policies and practices, and the level of appropriateness of the resulting EREA financial risk levels;
- Review the establishment, effectiveness and maintenance of controls and systems to safeguard financial and physical resources;
- Review the adequacy and effectiveness of the information systems that support the financial reporting;
- Assessing the funding and financial implications of physical and human resource policies, financial audit (external and internal), and insurance; and
- Legislative, regulatory, financial and audit compliance.