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Finance Committee Terms of Reference

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| Responsible person | Name Surname |
| Version | 1.0 |
| Date approved by Committee | Click here to enter a date. |
| Scheduled review date | Click here to enter a date. |

# Purpose

These Terms of Reference set out the responsibilities and structure of the Finance Committee of [Name of Shed] and the way it will operate.

The Terms of Reference will be reviewed annually and will be updated as necessary. Any changes will be submitted to the Committee for approval.

# Constitution

The Constitution of [Name of Shed] requires the appointment of a Treasurer. The establishment of the Committee provides the Treasurer with the support of selected members of the Committee in discharging the responsibilities of that position.

# Objectives

The Committee is required to ensure that the finances and financial management of the [Name of Shed] is conducted in a professional and prudential manner to safeguard the financial assets and viability of [Name of Shed] and the finances are managed within its financial capacity. Including the following -

* That the [Name of Shed] is operating within its financial capacity.
* That appropriate internal controls are established and followed to ensure proper receipt and recording of all income and that all outgoings are properly approved and are for the proper objectives of the [Name of Shed].
* That where possible proper segregation of duties is applied to the receival and expenditure processes.
* That appropriate financial reports are made to the Committee on a regular basis.
* That appropriate risk management assessments are made at least annually.
* That grants over $5,000, or that require significant match-funding from [Name of Shed] are shown to be viable prior to application; with a business case agreed by the Committee.
* That accounting for grants received and reporting thereon is made in accordance with the grantors’ requirements.
* Approval of budgets and on-going oversight and discussion with management of variances of actual spending and income versus planned.

# Composition

The Committee will comprise a maximum of six members as follows:

* At least two and a maximum of five members of the [Name of Shed] Committee, one of whom shall be the nominated Treasurer who shall have the responsibility of reporting financial matters to the Committee.
* At least one lay member with relevant qualification and experience as an accountant or auditor.

# Appointment process

The Shed Committee will appoint the Finance Committee.

# Term of members

The term of the Members is up to three years. Each member is eligible for appointment for no more than one further term.

# Chair

The Chair shall be the designated Treasurer of [Name of Shed].

The term of the Chair is up to three years. The Chair is eligible for appointment for no more than one further term.

The Chair is responsible for:

* Overseeing and leading the Committee in the effective discharge of its objectives, duties and responsibilities.
* Facilitating the effective contribution of all members.
* Promoting constructive and respectful relations among the members of the Committee.
* Making decisions in relation to any matters delegated to him or her by the Committee.
* Committing the time necessary to discharge the role effectively.

# Meetings

The Committee will meet as regularly as the Chair determines appropriate but no less than four times per year.

Ordinarily, meeting dates will be established following the [Name of Shed] Annual General Meeting.

Meetings may be held in person wherever possible or electronically where necessary as determined by the Chair.

# Quorum

For all decisions of the Committee a quorum of three members shall be required either in person or by electronic means.

# Advice

The Committee may seek external independent advice as required from time to time.

# Remuneration

Committee members shall receive no remuneration for their services.

[Name of Shed] may pay reasonable expenses incurred by the Chair and by the Committee members in attending Committee meetings.

# Indemnity

The Shed Committee has resolved that members of the Finance Committee shall be covered under the [Name of Shed] professional indemnity insurance policies in the discharge of their responsibilities as members of the Committee.

# Authorisation

[Signature of Committee Secretary]

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[Date of approval by the Committee]

[Name of Shed]