

SHINE CHILDREN AND YOUTH SERVICES (SHINE)

TERMS OF REFERENCE FOR AUDIT AND RISK MANAGEMENT COMMITTEE

1. Introduction and Rationale

- 1.1 This committee was formed as a check and balance mechanism to ensure that the organisation complies with the financial (including applicable Central Fund Scheme requirements) requirements/ practices/ policies/ procedures/ systems in accordance with the strategic directions, mission and core values of the organisation.
- 1.2 This committee maintains an oversight of the risk management plans that includes but not limited to ensuring that there is no conflict of interest by Board members or staff.

2. Objectives

- 2.1 The Committee shall ensure:
- (a) That relevant policies are in place as part of good governance.
 - (b) Transparency in the financial policies/ procedures/ practices/ systems.
 - (c) That internal control systems with documented procedures are effective and adhered to.
 - (d) Risks associated with SHINE's operations or emerging trends are appropriately reviewed for mitigations.

3. Structure

- 3.1 The Committee shall be appointed by the Board of SHINE.
- 3.2 The Committee shall report to the Board of SHINE and shall comprise:
- a) A Chairman who is a member of the Board and three other persons.
- 3.3 Qualifications for Appointment:
- a) A member of SHINE who is a Singapore Citizen or Permanent Resident in Singapore;
 - b) At least one member of the Committee is a Certified Public Accountant/Chartered Accountant or qualified in the field of accountancy/ finance/ audit related experience.
 - c) The current and immediate past Honorary Treasurer shall not sit on the Committee.

4. Terms of Reference

- 4.1 The Committee shall:
- a) Ensure that the financial statements and reports are in compliance with the legislations governing Charities and Institution of A Public Character (IPC) and the Singapore Financial Reporting Standards (SFRS).
 - b) Review and monitor financial controls on documented procedures on approving limits, signatories, procurement/payment, income/receipt and fixed assets are in place and administered effectively.

- c) Conduct periodic audit reviews to assist in the compliance of existing financial policies/ procedures/ practices/ systems and report to the SHINE Board on breaches, if any, for rectification.
- d) Review and monitor risks, existing and/or emerging, confronting SHINE and provide specific advice on mitigation. Areas for risks assessment and review cover both non-financial and financial aspects.
- e) Review and recommend the appointment of external auditor to the Board. Work with the external auditor on the final statements of accounts for the financial year.

5. Term of Appointment

- 5.1 The term of appointment for members shall be for the same period as Board members stipulated in the constitution and the members shall be re-appointed by the Board to serve in the Committee for the following term.

6. Frequency and Timing of Meeting

- 6.1 The Committee shall hold at least two meetings in a year.
- 6.2 The mode of meetings includes in-person, digital platform or via email exchange.