

MULLALOO SURF LIFE SAVING CLUB

BOARD CHARTER

Adopted by the Board on July 2015

Revised:

PREAMBLE

The Mullaloo Surf Life Saving Club (Mullaloo SLSC), established in 1961, is an independent Association committed to community safety on our local beaches. The Mullaloo SLSC is constituted as an Incorporated Association limited by guarantee under Western Australia law. It is a membership-based, not-for-profit, non-government Association, which is aligned to Surf Life Saving Western Australia and Surf Life Saving Australia.

The Association is governed by the relevant provisions of the *Associations Incorporation Act 1987* and its own Constitution adopted by the members, as subsequently amended, most recently in June 2014. The Mullaloo SLSC is also registered as a charity with the Australian Not-for-profit Charities Commission (ACNC) and must meet its requirements including certain governance standards, and is also registered for fundraising purposes external to Australian territories.

As a member of Surf Life Saving Australia, the Mullaloo SLSC is bound by that Code of Conduct.

Responsibility for ensuring the good governance of the Association rests with the Board of voluntary Directors and has the ultimate responsibility to its members for strategy and performance of the Association in general. The Board is dedicated to fulfilling these duties in a lawful and professional manner, and with the utmost integrity and objectivity. With this point in mind, the Board has decided to articulate and formalise the corporate governance framework within which the Board will operate.

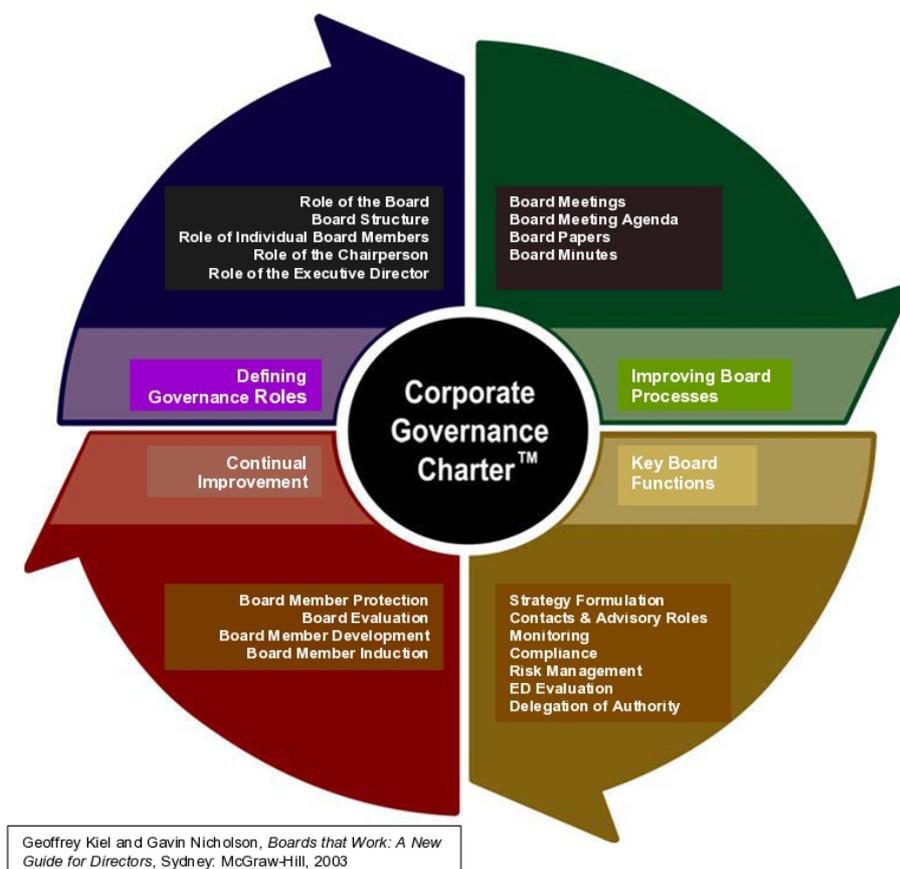


Figure 1 – Board Charter Governance

While it is acknowledged that good governance is an important component of a successful Association, it is also recognised that it is contingent upon the context in which it is practiced. Therefore, corporate governance needs to be an evergreen process, thus as a result this Board Charter is a living document.

The Board Charter will need to be regularly reviewed and updated to reflect changes in the legal framework, within which the Association operates, together with amendments and developments in Board policies and procedures. It is the responsibility of the Board of Directors to ensure that any changes and updates to the Clubs Policies and Procedures are conducted within the principles of the Board Charter and the Associations wider objectives. Equally it is important that all Directors are conversant with this Charter to ensure they conduct themselves within the standards laid down.

Nothing in this Charter conflicts with the Associations Constitution. If such a conflict is identified, the Constitution shall prevail. Any reference to any gender in this Charter should be interpreted as including the other gender. Any reference to the singular in this Charter should be interpreted as include the plural and vice versa.

PURPOSE

This Charter sets out the principles and practices the Mullaloo SLSC's Directors will uphold and implement to fulfil the member and community trust vested in them to protect and fulfil the vision. It does not in any way constitute legal advice or act as a substitute for legal advice.

In exercising this responsibility, Directors will be guided by the values and passions that best reflect the ethos of Surf Life Saving:

- A confidence that ensuring the safety of families and individuals using the beach enriches the fabric of the Australian community;
- A commitment to respect, promote and protect the rights of all Australians to enjoy the beach;
- A determination to contribute in a meaningful way to Providing Opportunities for Life by displaying outstanding leadership, volunteerism and community service delivery for all;
- A conviction that our goals can only be achieved if we work in true partnership with the local community and agencies;
- A belief the best path forward is always found through openness and collaboration, and through forging effective partnerships with people and agencies of like mind who share those values.

SPECIFIC OBJECTIVES

This Charter outlines the ways in which Directors will:

- Be accountable to all stakeholders;
- Ensure that the Mullaloo SLSC is well-governed and well-managed and hence capable of achieving good outcomes;
- Protect and enhance surf lifesaving's legacy and reputation together with the value and standing of the Mullaloo SLSC brand, respecting the concerns and interests of members and the wider community;
- Strive for excellence in governance and provide responsible, ethical and creative leadership;
- Implement effective financial and risk management oversight to ensure continued Associational viability and sustainability;
- Assist the Mullaloo SLSC's Management team as required, to nurture and develop critical relationships and partnerships to progress the vision and work of the Association;
- Ensure transparency and integrity of information to members and other stakeholders concerning Mullaloo SLSC's operations, challenges and achievements.

PRINCIPLES

Directors will meet these Board objectives through implementing the principles that are summarised in brief on the following page and set out in detail thereafter.

These Principles may be supplemented elsewhere by specific policies, procedures or guidance documents on key elements.

PRINCIPLE 1 – PROVIDE LEADERSHIP AND ADD VALUE

The Board will provide leadership through informed deliberation that establishes and follows the Association's vision, broad policies and strategic plans. We take ultimate responsibility for the effective functioning of the Association, its sustainability and the protection of the Mullaloo SLSC's name and brand.

PRINCIPLE 2 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

The Mullaloo SLSC will ensure Associational clarity about the respective roles and responsibilities for the Board and Management teams including the interface between the two. The Board will always seek to establish and maintain positive relationships with the Executive Committee and other managers of the Mullaloo SLSC. We will provide honest, direct and timely feedback to the Executive Committee on their performance, but will not seek to directly intrude on or supplant the Executive Committee's responsibility to manage the Association.

PRINCIPLE 3 – STRUCTURE THE BOARD TO ACHIEVE THE BEST OUTCOMES

We will organise the business of the Board and utilising our skills and expertise as individuals in the most effective ways to discharge the Board's duties and to advance the goals of the Mullaloo SLSC.

PRINCIPLE 4 – BE ACCOUNTABLE TO OUR MEMBERS AND RESPECT THEIR RIGHTS

We acknowledge the trust our members have placed in us, respect their rights to hold us to account, and pledge transparency in our relationship with them.

PRINCIPLE 5 – MAKE PARTNERSHIP AND COLLABORATION THE HALLMARKS OF OUR WORK

Recognising Surf Life Saving Australia's commitment to collaboration in its work, and a determination to mobilise resources efficiently through cooperation, the Mullaloo SLSC will work through strong partnerships at the governance and operational levels, emphasising cooperation and collaboration as central to the way we plan and work.

PRINCIPLE 6 – BUILD RESOURCES AND A CULTURE OF FINANCIAL TRANSPARENCY

We are committed to ensuring the Mullaloo SLSC has the resources to achieve agreed strategic objectives, including making full and accurate information available about the Mullaloo SLSC's financial position.

PRINCIPLE 7 – IDENTIFY AND MANAGE RISK WITHOUT BEING RISK-ADVERSE

We are willing to take risks to achieve results, but do so only with open eyes and when confident the identified risks can be satisfactorily managed.

PRINCIPLE 8 – STRIVE FOR GOVERNANCE EXCELLENCE AND CONTINUAL IMPROVEMENT

We will challenge ourselves to achieve excellence in governance and will take active steps to enhance our performance as a Board.

PRINCIPLE 1 - PROVIDE LEADERSHIP AND ADD VALUE

The Board will provide leadership through informed deliberation that establishes and follows the Association's vision, broad policies and strategic plans. We take ultimate responsibility for the effective functioning of the Association, its sustainability and the protection of the Mullaloo SLSC's name and brand.

In accepting this responsibility for leadership and good outcomes, the Board will:

- Ensure that the Mullaloo SLSC's vision informs strategic and operational planning and decision-making;
- Determine the broad policies and the strategic plan that will further the vision, principles and objectives of the Mullaloo SLSC and enable the achievement of agreed key objectives;
- Establish financial and risk management policies that support the Mullaloo SLSC's strategic plans and protect the Association's current and future viability and the Association's brand;
- Approve an annual business plan and budget that is developed and implemented by Management but consistent with the strategic framework;
- Ensure there are adequate resources to meet the Association's approved annual business plan and budget, as well as reasonable prospects of being able to meet the requirements of the agreed multi-year strategic framework with an adequate level of reserves;
- Ensure Management implements appropriate management, compliance, information and control systems for monitoring Associational performance and to ensure integrity, accuracy and timeliness in terms of financial reporting to the Board including full compliance with statutory and regulatory obligations and any applicable codes of practice;
- Build the membership of the Association, respect the rights of members, be accountable to them and work with Management to ensure the value of their expertise is realised to further the goals of the Mullaloo SLSC;
- Recruit, encourage and support the Executive Committee, monitoring and evaluating their performance and collectively provide timely, constructive feedback and mentoring or, if necessary, terminating their engagement;
- Constructively test or challenge key assumptions and strategies proposed by Management to ensure robust planning and risk management are built into the Mullaloo SLSC's way of working;
- Perform its functions so as to enhance the community standing and perception of the Mullaloo SLSC;
- Maintain oversight and governance of significant partnerships as determined by the Board;
- Develop the collective capabilities of the Board and regularly evaluate Board performance;
- Renew and evolve the composition of the Board with its complement of skills through good succession planning so as to support the strategy of the Mullaloo SLSC over the long term;

To contribute to the fulfilment of these collective responsibilities, each Director will:

- Become knowledgeable about the Mullaloo SLSC – its history, vision, programs, principles, strengths and challenges;
- Apply their skills, attributes, networks and expertise to advancing the objects and work of the Mullaloo SLSC;
- Allocate sufficient time to understand and discharge their duties as a Director, and beyond the statutory duties, allocate time and effort to be involved in and connected with the community of stakeholders (internal and external), partners and supporters of the Mullaloo SLSC;
- Act in good faith and in the best interests of the Association, including a responsibility to declare any actual or potential conflicts of interests in a timely manner in accordance with Mullaloo SLSC's policy;
- Understand the distinction between the respective roles of Board and Management, and be respectful of those distinctions while seeking to build and maintain positive, constructive engagement with the Executive Committee and their management teams;

- Contribute informed views, judgment and discernment to the Board’s deliberations and decision-making, questioning and challenging as appropriate in a constructive way that focuses on outcomes and on identifying optimal paths to achieve agreed strategic goals;
- Adhere to the principle of cabinet solidarity, particularly confidentiality, and be supportive of all decisions properly made by the Board;
- Be willing to serve on Board committees or to take on specific responsibilities within the Board as requested by the Board, where this is practicable;
- Not use information gained as a Director for any purpose other than to further the goals and objectives of the Mullaloo SLSC;
- Take no personal advantage from the role as a Director, and neither accept nor offer any gifts or favours from or to any individual or entity which does business with the Association beyond small tokens of appreciation where this is appropriate;
- Exercise the same degree of care, diligence and skill that a reasonably prudent person would exhibit in comparable circumstances.

These duties are set out in a formal Letter of Appointment which is signed by all Directors upon appointment.

PRINCIPLE 2- LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

The Mullaloo SLSC will ensure Associational clarity about the respective roles and responsibilities for the Board and Management teams including the interface between the two. The Board will always seek to establish and maintain positive relationships with the Executive Committee and other managers of the Mullaloo SLSC. We will provide honest, direct and timely feedback to the Executive Committee on their performance, but will not seek to directly intrude on or supplant the Executive Committee’s responsibility to manage the Association.

The Mullaloo SLSC’s goal is to ensure the relationship between the Board and Management team is open, honest, good-natured and constructive being grounded in mutual respect so as to advance the vision and objects of the Association. This matter has been discussed over several years in the Mullaloo SLSC and agreement has been reached that, while existing along a continuum, the respective roles and responsibilities are best viewed in the following way:

Board role	Management role
Be custodians of the Associations founding spirit, including the Surf Lifesaving legacy and brand.	Implement measures to protect and enhance the Associations brand, building on the Surf Lifesaving legacy, guided by the founding spirit.
Ensure there is business continuity by assuring the future sustainability and growth of the club in the long-term.	Manage the business today and for tomorrow by being the interpretive link between operations and the Board.
Recruit, support, and monitor the performance of the Executive Committee, including provision of guidance, coaching and development.	Recruit, support and monitor the performance of managers and the broader management team.
Debate, consider and determine broad strategic directions and policies, always taking into account the expertise and advice of the Management teams.	Provide information, advice and recommendations to inform strategic decision-making.
Monitor the performance of the Association, both operationally and strategically.	Implement the broad strategic directions and policies established by the Board and provide timely, transparent information so the Board can carry out its monitoring role.

Monitor the adequacy of and outcomes from risk management processes.	Design, implement and support risk management processes relevant to Portfolio risk.
Review the budget to ensure it is aligned to the strategy and achievable, approve it and monitor its implementation.	Develop a realistic budget, work to it and report on progress against it.

The management of the Mullaloo SLSC is entrusted to the Executive Committee –positions that the Board is responsible for recruiting and managing. Our approach is to set parameters for the Executive Committee rather than to rigidly prescribe or limit their actions. The Executive Committee will develop and present a budget and operating plan to the Board each year. The Board reviews and approves these (either with or without amendment) and, having done so, then delegates responsibility to the Executive Committee to implement the plan and manage the budget.

The Executive Committee is authorised to adapt any element of the operating plan and expenditure allocations within tolerances set by the Board and enunciated in the **Executive Limitations Policy**. However, any substantial change in the profile of the Mullaloo SLSC or the nature of its business would only be possible after substantive discussion with the Board including a review of the strategic framework.

The Executive Committee is the conduit between the Board, both as a whole or as individual Directors, and the staff. The Executive Committee works with the Board to ensure the information interchange between the Board and the management team is open, transparent and effective to build and maintain an integrated relationship that is honest, good-natured and constructive. Management information is the property of the Mullaloo SLSC. The Board has the right to access any information it may feel is necessary or desirable for it to carry out its functions.

The Executive Committee is responsible for ensuring the Board receives high quality, timely reports from Management with relevant information to enable the Board to make informed judgments and decisions concerning matters dealt with in Board meetings and other matters of strategy, including progress against agreed Associational Key Performance Indicators (KPIs). The Executive Committee, in consultation with the Chair, provides the Board with sound and timely advice on key strategic and operational matters and relationships, and ensures there is an effective Management team in place.

Directors are responsible for supporting and encouraging the Executive Committee. Care is taken not to undermine their authority and standing with management teams, including that any direct contact with management teams staff is with the General Manager’s knowledge and consent. However, consistent with the principle of openness and honesty, a member of a management team who believes misconduct has occurred on the part of the General Manager or Executive Committee has the right to discuss the matter directly and confidentially with the Chair of the Board.

Directors will, as their schedules permit, provide advice and assist the work of the Association where the Executive Committee believes this would be valuable. Annually the Board undertakes a formal review of the performance of the Executive Committee and reports on the results to the General Managers.

PRINCIPLE 3– STRUCTURE THE BOARD TO ACHIEVE THE BEST OUTCOMES

We will organise the business of the Board utilising our skills and expertise as individuals in the most effective ways to discharge the Board’s duties and to advance the goals of the Mullaloo SLSC.

Managing the work of a Board is a complex task and requires Directors to work well together to make the Board function effectively. Effective functioning requires agreement as to how business will be done and for specific tasks to be allocated to particular Directors or committees, while not detracting from the Board’s

shared responsibility as a whole. This is particularly true in Associations such as the Mullaloo SLSC that are comprised solely of voluntary Directors.

Role of the Chair

The Mullaloo SLSC has paid particular attention to the role of the Chair of the Board. While it includes all duties prescribed by the Constitution and the *Associations Incorporations Act*, the responsibility of the Chair in the Mullaloo SLSC goes well beyond this.

The Chair provides leadership to the Board and the wider Mullaloo SLSC through promoting a culture of excellence, integrity, respect, transparency, collaboration, and compliance with both Association governance and relevant laws.

In particular, the Chair:

- develops meeting agendas with the Executive Committee that focus Board attention on its strategic stewardship, financial stewardship, policy formation, decision-making and oversight roles;
- facilitates a proper flow of communication and information to assist the Board to fulfil its functions, both during and between Board meetings;
- chairs Board meetings and ensures they are conducted in a way that promotes engagement, understanding, effectiveness, efficiency, and ethical behaviour and decision-making;
- ensures and participates in an induction process for new Directors, as well as the ongoing process of Board and Director development;
- ensures succession planning is informed and ongoing;
- takes the lead role in Executive Committee succession planning, recruitment and performance assessment;
- establishes a productive working relationship with the Executive Committee that is open, honest, good-natured and constructive; grounded in mutual respect. The Chair should provide the Executive Committee with specific support and guidance without interfering in operational matters;
- leads by example to set the 'tone at the top', that is, the values and culture within the Board;
- represents the views of the Board to, and liaises with, the Chairs of other Surf Lifesaving entities;
- reports to members at the AGM and is always open to communication with members;
- as appropriate and in consultation with the Board, represents the Mullaloo SLSC externally, maintains contact with State and National offices and participates in stakeholder forums as agreed with the Board.

The Chair may call on the Deputy-Chair for some or all of these functions.

Role and operation of Committees

The Board, acting as a whole, is responsible for the Mullaloo SLSC overall. Committees advise and make recommendations to the Board but do not make decisions for the Board.

The Board:

- determines the Terms of Reference (ToR) for Committees, including their roles, responsibilities and composition together with how they will operate and report to the Board;
- appoints the members of Committees, who may include people (preferably Mullaloo SLSC members) who are not Directors but have specific skills or expertise that is relevant to the ToR of that Committee;
- reviews the performance and effectiveness of Committees, the appropriateness of the ToR and membership annually, usually at the first meeting held after the AGM.

Committees do not have authority to speak or act for the Board except when formally given such authority in the ToR or by specific resolution of the Board. The Chair of each Committee carries responsibility for ensuring the principles outlined in this Charter are observed guiding the way each Committee operates and performs its functions.

The Chair of each Committee ensures that minutes of meetings, as outlined in the ToR, are kept and provided to all Directors at the following Board meeting. Each Board meeting is to be provided with the minutes, outcomes or actions of Committee meetings. Chairs of Committees must ensure the Board is informed about key issues arising from the Committee's deliberations and, either personally or by delegation, ensure the Committee is represented at the Board meeting and able to elaborate as required on issues of interest to the Board.

The ToR's of all Committees are provided to Directors upon their appointment as part of induction. ToR's are also available to all Directors on request from the Chair or the Executive Committee. Each Director will ensure he or she is familiar with the role and functions of the Committees including the membership of each Committee.

Experience and Skill of Directors

The Mullaloo SLSC seeks to ensure the Board as a whole contains the appropriate expertise, knowledge, experience and competence to support the strategic plans of the Association in the short and longer terms, including provision of sound governance and stewardship for the Association overall.

As an evolving Association committed to further the work of Surf Life Saving Australia, we also seek to ensure wherever possible the experience and skills of the Board and Committees meet the current needs of the Mullaloo SLSC, which should include:

- people with skills and experience in Surf Life Saving, particularly in diverse functional streams of service delivery;
- people with skills and experience in strategic partnerships and advocacy;
- people with experience in growing Associations profitably, ethically and sustainably, including specific skills in fundraising, resource mobilisation, business, commerce and financial management;
- people with strong strategic capabilities and experience;
- people with strong governance experience, particularly in Not for Profit Associations;
- people with diverse cultural backgrounds;
- a balance of men and women with a mix of life experience.

Each Director recognises and embraces the fact that a complement of skills within the Board will need to change over time as the Association grows and evolves. Directors will monitor their own contribution to the Board to ensure their contribution remains relevant and active. A Director should proactively consult with his Board peers about their own role and contribution to assist with succession planning.

To assist in identifying candidates for both casual and elected vacancies the Board should maintain a Skills Matrix to enable weaknesses or knowledge gaps to be identified. A Skills Matrix is not about the individual capabilities of Directors but to identify the areas of strength and weakness within the Board as a whole.

Diversity of Directors

The Mullaloo SLSC is strongly committed to equality in every aspect of its work, and understands that equality can contribute to achieving its vision of providing opportunities for life. The Board recognises its key role in the realisation of equality at the Mullaloo SLSC and in the Association's endeavours.

Specifically, the Board understands that:

- the 'tone from the top' heavily influences the culture of the Association; and
- the different perspectives that diversity presents may lead to increased board effectiveness.

The Board has therefore adopted the principle of seeking diversity in its board membership, with a target of maintaining a minimum of one female Director in board composition. In order to achieve this objective,

the Board will ensure all relevant policies and processes support this principle, including but not limited to, the Board's director recruitment and selection guidelines.

PRINCIPLE 4– BE ACCOUNTABLE TO OUR MEMBERS AND RESPECT THEIR RIGHTS

We acknowledge the trust our members have placed in us, respect their rights to hold us to account, and pledge transparency in our relationship with them.

The Mullaloo SLSC is a membership-based Association. Building this base is one of our important functions as Directors for three reasons:

- The willingness of people to become members demonstrates there is community support for the charter and work of the Mullaloo SLSC with ongoing commitment to the Association's vision and endeavours.
- The membership base provides an important resource pool for future Board members, General Managers and management, given the Constitution specifies that only members of the Mullaloo SLSC may occupy managerial positions.
- People who consciously choose to become members are likely to be willing to assist the Mullaloo SLSC in concrete ways if asked to do so and to be champions of the Association in their personal and professional lives.

The Board is committed to developing a diverse membership base so that:

- the Mullaloo SLSC as a whole continues to reflect the spirit of Surf Life Saving Australia, that strives to attract support from all walks of life, and through the members is engaged with broad and diverse cross-sections of the community;
- The Board and Management have ready access to the range of skills and experience needed to ensure the Association remains true to its vision and work to perform well;
- The pool of resources available within the membership base as a catchment for succession planning is continually developed and evolves consistent with the Mullaloo SLSC's strategic direction.

Directors will respect the rights of members as set out in both the *Associations Incorporation Act* and the Constitution, including their rights to:

- nominate and elect Directors without influence or bias;
- receive open and transparent Financial Statements, including the annual Finance & Audit Report;
- call and receive notices of general meetings and propose resolutions;
- control the Constitution and any amendments to it through the approved process.

The Board will also ensure the Mullaloo SLSC maintains openness and engagement with members, ensuring that they:

- are sent a range of materials and communications to keep them informed of the Mullaloo SLSC's work, programs and opportunities;
- have regular opportunities to meet and mix with the Management teams, as well as with the Board;
- receive open, honest and prompt responses to all enquiries or comments.

PRINCIPLE 5– MAKE PARTNERSHIP AND COLLABORATION THE HALLMARKS OF OUR WORK

Recognising Surf Life Saving Australia's commitment to collaboration in its work, and a determination to mobilise resources efficiently through cooperation, the Mullaloo SLSC will work through strong partnerships at the governance and operational levels, emphasising cooperation and collaboration as central to the way we plan and work.

Both the National and State Surf Life Saving vision together with the Mullaloo SLSC's ambitious development goals propel and oblige the Association to develop and work through partnerships with

people and other Associations who share our goals and principles. The Board should seek out colleagues to work alongside them, nurture its partners and seek to align strategic plans with those partners in order to be more effective and have greater impact.

The Board is committed to continuing Surf Life Saving's collaborative and cooperative way of working, an approach that is central to the mandate of all surf lifesaving club's in Australia.

The Mullaloo SLSC needs to establish strategic partnerships with three main groups:

- other Surf Life Saving associations;
- Local and State statutory entities;
- other associations, agencies and/or professional bodies, whose charter and objectives are relevant or aligned to our work.

As a general rule, the Chair acts as the principal conduit for liaison between the Board of the Mullaloo SLSC and external governance bodies, either State or Surf Life Saving.

As a Board, we wish to see these partnerships with other 'like-minded' entities characterised by a:

- Recognition of the need for protection of the Surf Life Saving Australia name and brand;
- Mutual conviction that open exchange of information, dialogue, cooperation and collaboration will strengthen our relationships and the network of entities that share our vision and goals;
- Recognition that autonomy of our Association is not absolute but must be exercised in a way consistent with the shared representation of Surf Life Saving Australia, its principles and work, within an overarching framework of inter-dependence;
- Active and positive collaboration in all areas of our work;
- Relational harmony that is grounded in believing the best of each other even when we have different perspectives;
- Readiness to share knowledge and resources, to support each other whenever and wherever possible to ensure outcomes are optimised for our members and the wider community;
- Desire for systematic coordination of strategic and operational planning to increase our collective impact and ensure optimal resource efficiency;
- Transparency in our dealings with each other so there are no secrets and no surprises;
- Readiness to be accountable to each other because of our shared commitment and goals.

At an operational level, the Executive Committee and Management team is responsible for implementing these partnerships with the other 'like-minded' entities. The goal at both strategic and operational levels is to create and maintain a cooperative, collaborative, interdependent network operating consistently with the Surf Life Saving objectives and vision.

Beyond this, the Executive Committee has carriage of identifying and building fruitful partnerships that align with and progress the Mullaloo SLSC's strategic objectives. It is the responsibility of the Executive Committee to keep the Board informed of key developments or issues arising from the Association's involvement with partner bodies and to bring any matters requiring Board decision or involvement to the attention of the Board.

PRINCIPLE 6– BUILD RESOURCES AND A CULTURE OF FINANCIAL TRANSPARENCY

We are committed to ensuring the Mullaloo SLSC has the resources to achieve agreed strategic objectives, including making full and accurate information available about the Mullaloo SLSC's financial position.

The Board is responsible for the financial health of the Association. While the day-to-day work of raising and managing funds is delegated to the Executive Committee, medium to long-term financial and asset

management strategies are developed in consultation with the Board. It is the Board's responsibility to ensure such policies support the broader strategic objectives of the Association.

The Board is responsible for ensuring that Management has implemented processes and systems for the effective monitoring of the Association's financial position and to ensure members and other stakeholders are able to obtain accurate and timely information in relation to the Mullaloo SLSC's liquidity.

The Board meets these obligations through:

- ensuring integrity in all financial reporting by monitoring the systems of financial management and control put in place by Management;
- scrutinising and approving annual budget allocations to ensure they reflect agreed objectives or priorities and are based on realistic assumptions;
- approving and regularly reviewing a Reserves strategy to ensure future financial sustainability and an ability to meet all debts and obligations in the event the Association is wound up;
- receiving and reviewing quarterly management accounts to monitor progress and compliance against budget;
- identifying major financial risks and ensuring they are managed effectively;
- engaging external auditors to examine the annual financial accounts in accordance with Australian and International Accounting Standards, the ACNC standards and applicable fundraising laws, ensuring that any recommendations of the auditors are acted upon;
- giving our members the full audited accounts as well as a verbal report from the Board at the AGM where questions can be asked and answered;
- publishing the audited accounts and summary in our Annual Report;
- lodging the accounts and related reports with the required regulatory authorities within the required timeframes;
- declaring any significant changes or projections in the Association's state of affairs in the Annual Report;
- reviewing the ACNC governance standards annually to ensure continuing compliance with financial management and disclosure requirements.

The Governance and Risk Committee assists the Board to fulfil its obligations in these matters. The Committee meets at least six times a year and reports to the Board following each of those meetings.

PRINCIPLE 7– IDENTIFY AND MANAGE RISK WITHOUT BEING RISK-ADVERSE

We are willing to take risks to achieve results, but do so only with open eyes and when confident the identified risks can be satisfactorily managed.

The Mullaloo SLSC relishes challenges to achieve the Association's vision and provide continuous improvement for its members, which at times requires considerable risk. The Mullaloo SLSC's risk appetite is set by the Board and will be the standard reflected in the delivery of our programs. As a Board, we understand that innovation and progress involves risk but at the same time we recognise we have Association obligations that require exercising due care and reasonable caution. Our goal is an Association culture that is unafraid of grasping programmatic or technological opportunities and innovations but also has good systems of risk identification, mitigation and management.

The Board is both the first and last line of defence in terms of risk management. The first because it sets the overarching directions and policies for the Association then appoints and supports the Executive Committee who implements them. The Board is the last line of defence because it is charged with ensuring that appropriate systems are in place to allow for effective management and corporate compliance.

The Board's specific risk management responsibilities include:

- satisfying ourselves that Management has effective risk identification, disclosure, mitigation, and management systems and practices relevant to their portfolio responsibilities;
- monitoring compliance with all legal, regulatory and policy requirements;
- establishing key policies in areas such as child protection, member protection, limits and delegations of authority, and protocols for managing grievances or disputes;
- ensuring that regular strategic planning processes identify any risks or uncertainties in the economic, societal, technological, regulatory, political and industry environments in which we work, for the purpose of factoring these into our decision-making;
- protecting the surf lifesaving brand through a satisfactory operational regime, as well as our human, physical and financial assets through adequate risk management systems and insurance coverage;
- considering the reasonable expectations of members and stakeholders when determining what risks should be accepted or avoided;
- ensuring adherence to the financial risk management practices set out in **Principle 6**;
- ensuring future viability of the Association through effective Board and Executive Committee succession planning.

Each of the Board Committees has a role to play in risk identification, mitigation and management having a responsibility to advise the Board in this area.

PRINCIPLE 8 - STRIVE FOR GOVERNANCE EXCELLENCE AND CONTINUAL IMPROVEMENT

We will challenge ourselves to achieve excellence in governance and will take active steps to enhance our performance as a Board.

Ultimately, we are collectively accountable to ourselves as a Board and individually to each other as Directors, and we take this accountability seriously. We are committed to understanding the factors that most affect quality in governance and to continually improving our performance.

The Board employs the following mechanisms and processes to help with ensuring good performance:

- A structured induction process for new Directors and General Managers;
- A Board Resource Kit that provides key information, guidelines, policies and resources to help us to be informed and do our job;
- Where possible, regular interaction with the Executive Committee and managers to deepen our understanding and keep us focused on their needs and realities;
- Meeting agendas that are carefully structured to ensure we focus on policy and strategic matters thus avoiding a crossover into operational matters;
- Regular skill and competency audits of the current Directors to identify gaps or weaknesses and how they can be addressed;
- Annual review of Board Committees;
- A specific line item in the annual budget for development or training of the Board with regard to good governance;
- A commitment to ensure Committees equally embrace the principles of good governance;
- Development of multi-year Strategic Plan with related performance measures and monitoring of the same;
- A regular process of review for performance of the Board and of individual Directors;
- Principles of good governance will continue to remain an area of focus and continuing quality improvement.