

Corporate Governance Statement

YMCA North Inc.

Role of the Board of YMCA North

The Board of Directors is elected by members to supervise the management of the Association in the best interests of members. The Board currently has 9 members (as permitted by the Constitution) and has several key functions which are:

- The establishment of business objectives, strategies and policies.
- The approval of annual capital and operating budgets.
- The appointment of a Chief Executive to manage the day to day operations of the Association within the established framework.
- The ongoing monitoring of management performance in relation to the goals established for that purpose.

The Board is committed to the highest standards of behaviour and accountability from Directors and accordingly endorses the principles set out in the FMA's Corporate Governance in New Zealand, Principles and Guidelines.

The Board considers that its governance processes do not materially differ from the principles set out in these documents. The practices adopted by the Board are prescribed in the Board Charter which sets out the protocols for operation of the Board, and in the Code of Ethics which sets out the manner in which Directors and Employees should conduct themselves. Both the Board Charter and the Code of Ethics are available on the Association's website.

Board Composition

The composition of the Board is governed by the Association's Constitution which also details how Directors are appointed and removed.

The composition of the Board will reflect the duties and responsibilities it is to discharge and perform as the representatives of the members, and in setting the Association's strategy and monitoring its implementation.

The Directors are independent of management and free from other relationships which could materially interfere with the exercise of their independent judgment.

The Board normally meets monthly and has met 11 times between 1 July 2018 and 30 June 2019.

Special purpose meetings are held as required.

Board Committees

The Board has three standing sub-committees, being: the Finance Committee, the Audit and Risk Committee and the Remuneration Committee.

Other committees are formed for specific purposes and disbanded, as required. Being sub-committees of the Board, the Directors only constituting those committees have the right to vote on matters requiring determination despite the presence of observers or advisers who may have been invited to assist the particular committee.

Finance Committee

The Treasurer is Chairperson of the Finance Committee which meets regularly during the year and has the following objectives:

- The primary objective of the Finance committee is to assist the Board of Directors in fulfilling its financial oversight responsibilities. The Committee reviews the financial information presented by management to the Board and to its members. In addition, the Committee:
- Reviews the financial information presented by management to the Board and to its members;
- Reviews the financial reporting process;
- Assists management with its financial analysis of proposed acquisitions and projects prior to presentation to the Board;
- works with the audit and risk committee to determine the adequacy of the organisation's administrative, operating and accounting controls.

A copy of the Finance Committee Charter is available on the Association's website.

Audit and Risk Committee

The Audit and Risk Committee meets regularly during the year and has the following objectives:

- The primary objective of the Audit and Risk committee is to assist the Board of Directors in fulfilling its oversight responsibilities. The Committee reviews the system of internal control and management of business risks, the audit process, and the Association's process for monitoring compliance with laws and regulations. In addition, the Committee:
- oversees and appraises the quality of the audits conducted by the Association's external auditors;
- maintains open lines of communications among the Board and the external auditors to exchange views and information. The Committee also confirms their respective authorities and responsibilities;
- determines the adequacy of the organisation's administrative, operating and accounting controls.

A copy of the Audit and Risk Committee Charter is available on the Association's website.

Remuneration Committee

This Committee comprises the President (Chair), and 2 members has the role of reviewing the remuneration levels of the Senior Management.

Diversity Policy

The Association has adopted a formal diversity policy. It recognises the wide ranging benefits that diversity brings to an organisation and its workplaces. YMCA North endeavours to ensure diversity at all levels of the organisation to ensure a balance of skills and perspective are available in the service of our members and business partners. The Board will report to members annually on the achievement of objectives under the policy

Director Independence

All Directors are considered to be independent. No remuneration is paid to Directors.

Conflicts of Interest

Where any Director has a conflict of interest or is otherwise interested in any transaction, that Director is required to disclose his or her conflict of interest to the Association, and thereafter will normally not be able to participate in the discussion, nor vote in relation to the relevant matter. The Association maintains a register of disclosed interests.

Communication with Members

The Directors are committed to ensure that members are informed of all major developments affecting the Association.

Annual Reports are posted onto the Association's website and each member receives a hard copy of each report.

Members may raise matters for discussion at the Annual meeting each year.

Risk Management

YMCA North is committed to managing risk to protect its staff, the environment, financial business risks, assets and its reputation. A comprehensive risk management system is in place which is used to identify and manage all business risks. The risk profile is reviewed annual. As part of risk management the Association has a comprehensive Treasury Policy which sets out the procedures to minimise financial market risk.

Code of Ethics

A Code of Ethics has been developed and adopted by the Board which sets out the ethical and behavioural standards expected by the Association's Directors and Staff.

