HONG KONG, CHINA ROWING ASSOCIATION
FINANCE COMMITTEE
Terms of Reference

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1. Establishment

The Finance Committee ("the Committee") is established by resolution of the Board of Directors ("the Board") of the Hong Kong, China Rowing Association ("HKCRA" or "the Association").

The Committee operates under authority delegated by the Board. The Board retains ultimate responsibility for the governance, management and affairs of the Association.

In accordance with the Articles of Association of HKCRA, the President, Chairman, Director of Finance and Company Secretary shall be ex-officio members of the Committee but shall not be entitled to vote at meetings of the Committee unless specifically appointed as members by the Board. Ex-officio members are not required to attend meetings of the Committee but may choose to attend any meeting in that capacity.

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2. Purpose

The purpose of the Committee is to:

- advise and make recommendations to the Board on the financial affairs, financial planning and financial sustainability of HKCRA;
- support the Board in overseeing sound financial management, prudent resource allocation and appropriate financial controls;
- review financial strategy, budgets, forecasts and financial policies relevant to the Association's operations and development;
- monitor financial performance, income, expenditure, liquidity and banking arrangements;
- help ensure that the Association's annual accounts are properly prepared, audited and presented in a timely manner for Board approval and presentation to members at the Annual General Meeting in accordance with the Articles of Association and applicable requirements of the Companies Ordinance; and
- promote transparency, accountability and good governance consistent with applicable laws, policies and guidelines.

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3. Authority

Unless expressly authorised by Board resolution, the Committee:

- acts in an advisory capacity to the Board;
- has no authority to bind the Association contractually;
- may make recommendations to the Board on financial matters; and
- may request relevant financial information necessary to discharge its responsibilities.

The Committee may, with appropriate approval or under established HKCRA procedures:

- seek input from staff, external consultants or advisers where necessary;
- recommend new or amended financial policies, fee structures, controls or procedures; and
- invite non-voting specialist advisers to assist its work.

The Committee shall not assume the functions of the Internal Audit Committee or exercise powers reserved to the Board.

Where specific delegated authority is granted, this shall be clearly documented in writing by resolution of the Board.

The Committee shall not, unless specifically authorised by the Board:

- approve expenditure or commit Association funds outside approved budgets and any specific delegated authority;
- make appointments or removals on behalf of the Board;
- impose disciplinary sanctions; or
- exercise powers reserved to the Board under the Articles of Association or HKCRA policies.

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4. Composition

4.1 Membership

The Committee shall comprise:

- a minimum of three and a maximum of eight members, including the Chairperson; and
- such specialist advisers as the Board may approve, if applicable.

Specialist advisers shall not count towards the minimum or maximum membership.

4.2 Eligibility

In accordance with the Articles of Association, all voting members of the Committee must be Stewards or Ordinary Members of HKCRA and members of a Club Member of the Association.

Members shall possess relevant experience, expertise or qualifications appropriate to the Committee's remit. Members may be drawn from Board Directors and other individuals with relevant financial, accounting, commercial or governance expertise.

Members of the Finance Committee shall not serve simultaneously as members of the Internal Audit Committee.

The Chairperson of the Committee shall be the Director of Finance of HKCRA.

4.3 Specialist Advisers

The Board may approve the appointment of specialist advisers to attend meetings where particular expertise is required. Such persons shall not be voting members of the Committee and may participate only in a non-voting advisory capacity, in accordance with the Articles of Association.

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5. Appointment and Term

Committee members shall be appointed by the Board.

The Chairperson of the Committee shall be the Director of Finance of HKCRA.

Members shall serve for a term of two years, renewable upon reappointment by the Board.

Specialist advisers shall serve for a term of two years, renewable upon reappointment by the Board.

The Board may remove or replace members at its discretion.

The office of a member shall be automatically vacated if the member:

- resigns in writing addressed to the Association;
- ceases to be a Steward or Ordinary Member and member of a Club Member of HKCRA;
- becomes of unsound mind;
- has a receiving order made against him or her; or
- is removed from office in accordance with the Articles of Association or by Special Resolution at a General Meeting of the Association.

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6. Duties and Responsibilities

The Committee shall:

6.1 Financial Strategy and Sustainability

- advise the Board on long-term financial sustainability, funding models and financial priorities;
- review and recommend updates to the Association’s financial strategy, structure and objectives;
- consider opportunities to strengthen financial resilience, diversify income and support sustainable development.

6.2 Budgeting and Resource Allocation

- review annual budgets, project budgets and related financial forecasts before submission to the Board;
- advise on resource allocation priorities and the financial implications of major programmes, activities and proposals;

- monitor performance against approved budgets and recommend reallocations or corrective action where appropriate.

6.3 Financial Operations and Financial Controls

- review and recommend policies relating to financial controls, procurement, budgeting, accounting procedures and delegated financial authority;
- monitor cash flow, liquidity, reserves position and banking arrangements;
- review the adequacy of financial systems and procedures from a financial management perspective.

6.4 Financial Reporting

- review periodic financial statements, management accounts and other financial reports;
- provide summary financial updates and analysis to the Board at least quarterly and at Board meetings as required;
- highlight significant financial trends, variances, risks or concerns for Board attention.

6.5 Funding, Revenue and Fees

- advise on funding models, revenue development, sponsorship or contribution structures, and where appropriate membership or service fee proposals;
- review financial implications of major funding arrangements, subventions, grants or new initiatives;
- make recommendations to the Board on financial policy proposals and major funding-related decisions.

6.6 Financial Risk

- identify and evaluate material financial risks affecting HKCRA;
- consider appropriate mitigation strategies and financial safeguards;
- refer significant control, compliance or assurance concerns to the Internal Audit Committee and/or Board as appropriate.

6.7 Annual Accounts, Audit Preparation and AGM Readiness

- oversee the preparation of the Association’s annual financial statements and supporting financial information for submission to the Board;
- monitor the timetable for completion of the annual accounts and audit process, and work with management and the external auditor as necessary to promote timely completion;
- help ensure that the Association’s audited financial statements are ready for Board consideration and for presentation to members at the Annual General Meeting in accordance with the Articles of Association and applicable requirements of the Companies Ordinance;
- advise the Board promptly of any delay, issue or risk that may affect the timely completion of the annual accounts, audit or AGM financial reporting process.

6.8 External Auditor Appointment and Fees

- make recommendations to the Board on the appointment, reappointment and professional fees of the external auditor;
- liaise as appropriate on practical matters affecting the timetable and preparation of the annual audit process.

For the avoidance of doubt, detailed review of audit scope, audit findings, internal control weaknesses and assurance matters shall primarily fall within the remit of the Internal Audit Committee.

The Committee shall also ensure that activities within its remit are conducted in accordance with:

- the HKCRA Articles of Association;
- applicable laws of Hong Kong;
- guidelines issued by the Sports Federation & Olympic Committee of Hong Kong, China;
- relevant subvention requirements of the Leisure and Cultural Services Department; and
- relevant ICAC corruption prevention and integrity guidance.

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7. Meetings

The Committee shall meet at least four times per year, with additional meetings as required.

Meetings may be conducted in person or by electronic means, including video conference.

Notice of meetings shall be given at least seven days in advance unless urgent circumstances require otherwise.

The agenda and relevant papers shall be circulated in advance where practicable.

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8. Quorum and Voting

A quorum shall consist of at least 50% of duly appointed voting members.

Voting shall be by show of hands unless the Chairperson of the meeting directs otherwise.

Decisions shall be made by simple majority of those present and voting.

In the event of a tie, the Chairperson of the meeting shall have a casting vote.

No person appointed in an advisory or non-voting capacity, and no person in receipt of a salary or wages from the Association, shall be entitled to vote at meetings of the Committee.

Written resolutions signed by all voting members may be adopted if unanimously agreed, where permitted.

If a meeting is inquorate, discussion may take place but no formal recommendation shall take effect unless subsequently confirmed at a quorate meeting or by valid written resolution.

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9. Conflict of Interest

Members shall comply with HKCRA's Conflict of Interest Policy.

An annual declaration of interests shall be completed by each member.

Members must declare any actual, potential or perceived conflict of interest at the beginning of each meeting, or as soon as it arises.

Any member with a conflict of interest in relation to a matter shall abstain from discussion and decision-making on that matter, and such abstention shall be recorded in the minutes. In accordance with the Articles of Association, any vote cast in breach of this requirement shall not be counted.

Particular care shall be taken in relation to procurement, funding, sponsorship, banking, fee-setting and any matter affecting the interests of a member or related party.

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10. Reporting

The Committee reports directly to the HKCRA Board.

A written report summarising each meeting's discussion, key financial observations and recommendations shall be submitted to the Board. Copies of all minutes shall be furnished promptly to the Company Secretary and to the HKCRA Secretariat in accordance with the Articles of Association.

The Committee shall also report promptly to the Board on any significant issue affecting the Association's financial position, financial compliance, audit timetable or AGM financial reporting readiness.

An annual summary report shall be provided to the Board.

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11. Secretariat Support

Administrative support shall be provided by the HKCRA Secretariat.

The Executive Director and/or a designated staff member shall normally attend meetings.

All records, minutes and documentation shall be securely retained in accordance with HKCRA record-keeping policies.

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12. Access to Information and Advice

The Committee may request relevant information from the Secretariat necessary to discharge its duties.

The Committee may consult, through appropriate channels, with relevant staff, the external auditor or other appropriate advisers on matters within its remit.

Where specialist external advice is required, prior Board approval shall be obtained.

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13. Review of Terms of Reference

These Terms of Reference shall be reviewed every two years by the Committee, and any proposed amendments submitted to the Board for approval.

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14. Adoption

Approved by the Board of Directors of the Hong Kong, China Rowing Association on:

Date: 23 April 2026

Chairman: