



Saki Partners

TRANSACTION ADVISERS

OVERVIEW OF OUR CONSULTING SERVICES





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Our Consulting Services

Saki Partners specialises in consulting with an emphasis on monitoring and managing financial, compliance and risk.

We have experience across a range of organisational settings including;

- Start-Ups
- Small-to-Medium Enterprises
- Non-Profit and Charitable Entities
- Government Entities
- Propriety Companies
- Public Companies
- ASX Listed Companies
- Trusts
- Managed Investment Schemes
- Tax-Efficient Special Purpose Vehicles
- Multinational Corporations
- Foreign Companies

Our consulting services integrate seamlessly with our transaction services, and in many cases, we are engaged as a result of, or in anticipation of, a strategic transaction such as a change in control of the company or a change in strategic direction.

Our consulting services are focused on corporate governance and are delivered across three activity areas:



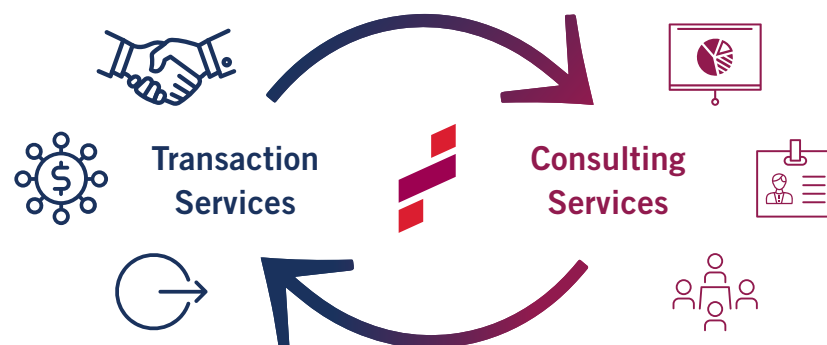
Corporate Governance Advisory



Responsible Officer



Directorships





Corporate Governance Advisory

Corporate governance is about the way in which boards oversee the running of a company by its managers, and how board members are accountable to shareholders. It has implications for company behaviour towards employees, shareholders, customers and other stakeholders. Robust corporate governance plays a vital role in underpinning the value of a company. Poor corporate governance weakens a company's potential, and at worst, can pave the way for financial difficulties and even fraud. If companies are well governed, they will usually outperform other companies and will be able to attract investors whose support can help to finance further growth.

With the spectacular collapse of many iconic institutions, corporate governance has become a prominent topic with boards and directors clearly in the spotlight. Corporate governance practice has been given significant attention from regulatory and judicial authorities, and perceptions about the conduct of boards and management have attracted much attention from the broader community.

While society has set higher standards for corporate leaders, there remains little practical advice available to directors on to how to deal with the issues involved. Most approaches to good governance centre around platitudes such as; making board processes transparent, monitoring management, ensuring board independence, and upholding the rights of stakeholders. Easy to say; but challenging to translate into specific duties, actions and accountabilities.

Additionally, the *Corporations Act (2001)* imposes stringent obligations regarding directors' duties. Directors must discharge their duties in good faith, must not improperly use their position, or information, and directors must exercise care and diligence when carrying out their duties.

Both the societal expectations and legal directions fail to address the practical realities of how to improve corporate governance within complex operating business environments. Environments that are simultaneously dealing with a range of critical issues such as; competitive rivalry, capacity constraints, share price expectations, regulatory and political flux, scarcity of funding, and financial instability.

Saki Partners specialises in corporate governance consulting with an emphasis on monitoring and managing;



Financial

Valuation, growth funding and shareholder wealth creation.



Compliance

Laws, rules and regulations applicable to the business activities.



Risk

Strategies to address vulnerabilities and reduce future losses.

Best Practice Governance Approach

Saki Partners assists boards and directors in developing best practice governance processes tailored to the unique corporate context, business model, stage in the business life-cycle and experience of the management team. Our approach centres around four key aspects:



01: Defining Governance Roles

- The role of the board
- Board structure
- The role of the individual directors
- The role of the chairperson
- The role of company secretary
- The role of the CEO

02: Improving Board Processes

- Board meetings
- Board meeting agendas
- Board papers
- Board minutes
- Board calendars
- Board committees

03: Defining Board Functions

- Role in developing strategy
- Directors providing services or advice
- Monitoring organisational performance
- Legal compliance and codes of practice
- Role in risk management
- Role in CEO evaluation
- Delegation of authority

04: Continuing Improvement

- Director protection
- Board evaluation
- Director remuneration
- Director development
- Director selection and induction

A Tailored Approach for Successful Growth

We recognise that when it comes to corporate governance, one size does not fit all. Organisations differ in their governance requirements over several dimensions:



Size

Larger organisations have vastly different requirements to smaller companies.



Ownership

Ownership might be widely dispersed, tightly held among a few people, or one person may own all the shares.



Mission

Many organisations are profit making while others such as non-profit, charitable and government entities may not have profit as a primary purpose.



Board Independence

Some organisations are comprised solely of (external) independent directors, while other boards are comprised solely paid executives (internal), and many have a combination of the two.

Depending on the mix of all these factors, the governance requirements and practices will vary markedly.

We also appreciate that corporate governance practices evolve over time and that directors are expected to undertake a wide variety of roles and must be flexible enough to pivot their orientation as the organisation dynamically responds to change.



Tangible Outcomes that Build Capability

Our process for developing good governance practice focuses around defining the roles and responsibilities of the ultimate decision-makers in the organisation and establishes a framework for strategic planning. We focus on delivering practical, relevant and actionable outcomes able to be readily deployed within a change management setting.

Focus	Activities	Outputs
Corporate Governance Charter	The role of the board, individual directors, the CEO within management; policies concerning how major decisions are made; the management of corporate risk	<ul style="list-style-type: none"> • Board Charter • Decision papers • Agendas • Charters for committees • Minutes of meetings • Due diligence • Board reviews
Corporate Strategic Plan	The corporate vision, mission and values; overall corporate goals; strategies concerning the organisation and how it is managed	<ul style="list-style-type: none"> • Strategic review • Business plans • Strategic plans • Contingency plans • Annual reports
Financial Budget	How the organisation gains sustainable competitive advantages in each of the markets in which it competes	<ul style="list-style-type: none"> • Budgets • Forecasts • Management accounts • Financial review • Forward-looking statements
Policies and Program Plans	Policies regarding all aspects of operations and detailed functional and activity plans at the business-unit level	<ul style="list-style-type: none"> • Policies and procedures • Activity plans • Functional plans • KPI's
Stakeholder Communications	Stakeholders are those whose attitudes and actions have an impact on the success of the organisation. Effective communication ensures they receive information builds positive attitudes to the organisation	<ul style="list-style-type: none"> • ASX announcements • Investor presentations • Disclosure documents • Earnings guidance



Responsible Officer

A Responsible Officer ensures that the quality of the products or services provided is adequate and that your organisation is meeting its obligations. The Responsible Officer is also required to make certain your organisation maintains its relevant standards, knowledge and skills.

A Responsible Officer will be required to establish a compliance program that includes policies, procedures and processes sufficient to comply with relevant regulations in your industry.

The Responsible Officer must periodically review the sufficiency of the compliance program and its compliance with the relevant regulations, and these reviews sometimes form part of a mandatory periodic certification of compliance.

Saki Partners has experience in acting as a nominated Responsible Officer, or providing advice and support to Responsible Officers, in many industries and business contexts including;

- AFSL licensees
- Investment funds & managed investment schemes
- Education providers
- Trusts and tax-efficient SPV's
- Franchisees and licensees
- Foreign company representations
- Diplomatic and consular representations



Directorships

Periodically a company will have to appoint a new director. The reason for the appointment varies with each business and may include factors such as;

- the retirement of an existing director
- statutory obligations such as maintaining a minimum number of directors
- statutory obligations such as Australian residency requirements for directors
- a strategic decision to change the mix of skills, experience or diversity on the board
- a change in control of the business

Depending on the size, complexity and regulatory requirements of each business, it is customary for some directors to be appointed to committees that carry out specified functions, programs, or projects such as:

- Audit & Risk Management
- Investment
- Remuneration
- Mergers & Acquisitions
- Nomination & Appointment
- Change Management
- Disclosure
- Steering
- Due Diligence
- Strategic Planning

Appointment as a director may be on a temporary basis or a permanent basis, and the appointment may be tailored to achieve a high level or a low level of involvement in the operations of the business.



Executive Director

A board member who also has management responsibilities.



Chairman

A board member whose role is not separately defined in *the Corporations Act 2001*, but is customarily responsible for leadership of the board.



Non-Executive Director

A board member without responsibilities for the daily management or operations of the company.



Independent Director

A board member who is free of any interest, position, association or relationship that might influence their capacity to exercise independent judgement.



Alternate Director

An individual who is appointed to attend a board meeting on behalf of the director where that director is otherwise unable to attend.



Board Observer

An individual who attends company board meetings but is not an official member of the board of directors.

About Dr Nigel Finch

MCom LLM MBA PhD CA CTA FCPA FFin FTIA FAICD

Managing Director

Founder and managing director, Dr Nigel Finch, has 20 years of experience advising clients in Australia and overseas in the government, manufacturing, mining, entertainment, technology, financial services, agriculture, property, not-for-profit, higher education, listed company and emerging markets sectors.

Dr Finch specialises in governance consulting with an emphasis on monitoring and managing financial, compliance and risk aspects within organisations.

Experience

Outside of his experience in Australia, Dr Finch has advised clients operating in South East Asia, the Middle East and Central Asia and is well accustomed to international aspects of business, especially across primary industries such as mining and agriculture.

Dr Finch is the author of more than 100 academic publications on topics such as mergers and acquisitions, corporate finance, governance, and management accounting as well as several books including, *Goodwill Impairment Testing In Australia*, *Contemporary Issues in Mining*, and *Emerging Markets and Sovereign Risk*.

He is a former Associate Dean and Associate Professor in Accounting at the University of Sydney and Honorary Consul-General of Mongolia in Sydney.

Dr Finch has held senior roles such as a financial controller, investment manager, executive director and non-executive director across a range of industries and organisational settings.

His experience with ASX listed companies includes executive chairman, executive director and non-executive director as well as chairing numerous committees such as audit and risk committees. He has assisted listed companies in handling more than \$150 million worth of transactions including, mergers, acquisitions, divestitures, IPO's and capital raisings.

Qualifications

Dr Finch holds degrees in accounting, business and law plus a PhD in business law.

His professional qualifications include Certified Practising Accountant, Chartered Accountant, Chartered Tax Adviser and a fellow of the Financial Services Institute of Australasia, the Taxation Institute of Australia, the Australian Institute of Company Directors and CPA Australia.

Contact

CONTACT SAKI PARTNERS

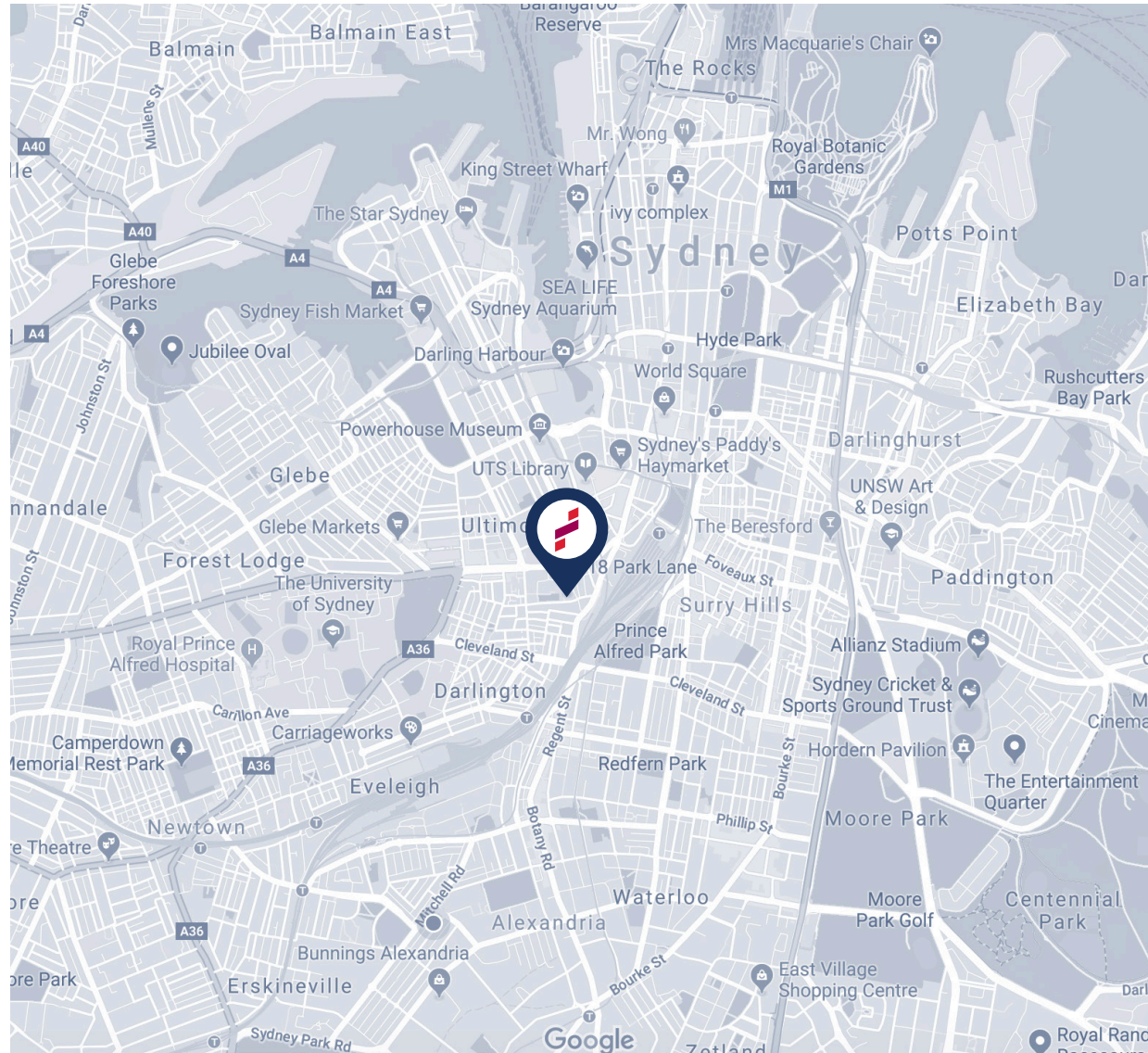
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ABOUT CHIPPENDALE

Saki Partners is located adjacent to Sydney's CBD in Chippendale – a place of creativity, cutting-edge architecture and cool cafes. More recently, Chippendale has become known as one of the key creative arts districts of Sydney and is host to many creative events each year.

Chippendale is centrally located within Sydney's higher education research precinct and is bordered by The University of Technology, the University of Sydney, The University of Notre Dame Australia, Australian Technology Park Sydney as well as the Sydney campuses of Curtin University and The Boston University.

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