

AUDIT & RISK COMMITTEE: Terms of Reference

Purpose:

The Board has established an Audit & Risk Committee to support them in their responsibilities relating to accounts, accounting policies, internal control, audit and risk management

Membership and attendance:

- At least 2 Directors, one of which will act as the Chair;
- Representatives of external audit.

Meetings:

There will be at least 1 meeting a year.

A quorum for the meeting will be a minimum of 2 members.

The Audit Committee may hold a closed session (i.e. without executive management present) as it considers necessary.

The representative of External Audit shall have free and confidential access to the Chair of the Audit Committee, outside the meetings.

Duties:

1. The Audit & Risk Committee will advise the Board on:

- Accounts, accounting policies and internal control and annual report, including the process for review of the accounts for audit, levels of error identified, and management's letter of representation to the external auditors;
- Adequacy of management response to issues identified by audit activity, including external audit's management letter;
- The effectiveness and quality of audit;
- Annual review of the effectiveness of the organisation's risk management and ensure that they provide reasonable assurance and report on this to the Board. This to include updates of the Risk Register for recommendation to the Board.
- Any other matters where requested to do so by the Board.

2. The Audit & Risk Committee will periodically review its own effectiveness and report the results of that review to the Board.

3. The Audit & Risk Committee will report to the Board on an annual basis, timed to support finalisation of the accounts.

Power:

The Audit & Risk Committee is authorised to obtain independent professional advice or ask any other official to attend if it considers this necessary, subject to budgets agreed by the Board.