

## Audit and Risk Committee

### 1 Membership:

- 1.1 The Committee is appointed by the Board and consists of at least three board directors.
- 1.2 The Board may appoint up to two committee members who are not board members to serve as committee members.
- 1.3 Members can serve a period of four years from the date of their appointment.
- 1.4 The chair of the committee will be appointed by the board
- 1.5 The chair of the board will not be a member of the committee
- 1.6 The treasurer of the board will not chair the committee

### 2. Convenor:

- 2.1 The company secretary will convene the meetings and ensure the efficient administration of the meetings
- 2.2 The convenor will liaise with the chair of the committee to agree agendas prior to meetings
- 2.3 The convenor will ensure progress on agreed actions between meetings

### 3. Quorum:

The quorum necessary is two committee members. A duly convened meeting can exercise any of the authorities, powers and discretions of the Committee.

### 4. Attendance:

- 4.1 Only members of the committee can attend and vote at committee meetings.
- 4.2 The chairperson of the committee may invite other Board Members to committee meetings when considered appropriate.
- 4.3 A representative of the Internal Auditor will attend meetings
- 4.4 Members of staff with expertise relevant to the work of the committee may be invited to attend the committee
- 4.5 The committee may invite any person as observers where their expertise would be of assistance to the Committee in undertaking their work
- 4.6 The external auditor will attend the meeting to finalise the statutory audit
- 4.7 The chief executive can attend committee meetings

### 5. Frequency:

- 5.1 Meetings shall be convened at the discretion of the chair, but held at least four times per annum at dates fixed before the start of the calendar year
- 5.2 The chair may request further meetings, if they consider it is necessary to do so.

### 6. Authority:

- 6.1 The committee is authorised by the board to investigate any activity within its terms of reference and to seek information from any employee and/or the external and internal auditor
- 6.2 The chair of the committee may commission external professional advice to the committee in meeting its objectives

### 7. Role and Objectives:

- 7.1 The overall role of the committee is primarily strategic and directional.
- 7.2 The committee monitor the corporate risk register and report to board any material changes to the register



- 7.4 The committee agrees an annual work plan which aligns with the corporate strategy and business plan as well as ensuring the financial sustainability and risk management of proposals.
- 7.5 The committee is not responsible for reviewing executive decisions, for monitoring the efficiency of management or for assessing the individual property acquisitions or new business areas.
- 7.6 The committee will consider other topics or matters delegated to it by the board.

## **8. Duties and responsibilities:**

The duties and responsibilities of the Audit & Risk Committee are to assist and make recommendations to the Board relating to:

### **a) Internal Audit:**

- ensuring that the internal audit function is robust and enjoys appropriate standing within the company and commands full cooperation from all staff
- agreeing the programme of internal audit assignments
- receiving and reviewing the internal audit reports together with any management responses
- reporting to board on the progress of internal audit assignments
- managing additional assignments delegated to the committee by the board

### **b) Statutory Audit:**

- considering and recommending the appointment, reappointment and removal of the auditor
- reviewing any matter arising from the audit
- reviewing the auditor's management letter together with management's response and any other relevant communications addressed to the board
- presenting the statutory audit to the board
- recommending the audit to the board

### **c) Risk:**

- ensuring robust systems for monitoring risk are in place, including the risk policy and risk management policy
- monitoring and reviewing the corporate risk register
- ensuring the appropriateness and completeness of the system of internal control, compliance and financial risk management.

### **d) Financial Statements and Reporting**

- contributing to and approving the system of financial reporting to board
- assessing and recommending accounting & treasury policies
- ensuring compliance with regulatory & accounting standards

### **e) Value for Money:**

- monitoring value for money initiatives
- contributing to the generation of value for money programmes

### **f) Whistleblowing:**

- ensuring that there is a robust policy for dealing with allegations from whistleblowers
- reporting appropriately to board on the outcomes of any investigations arising from whistleblower allegations

