

Audit & Risk Committee

Terms of Reference

1 Membership

- 1.1 Members of the committee shall be appointed by the Board of Directors.
- 1.2 The committee shall comprise (at least) three Non-Executive Directors, one independent Non-Executive, one Elected Director and one other. At least one should have significant recent and relevant financial experience.
- 1.3 The committee shall be chaired by the Honorary Treasurer.
- 1.4 Membership shall be for a three year term. If a member's appointment to this Committee exceeds their term as a Director, then their appointment to this Committee will also end.
- 1.5 There should be at least two Non-Executive Directors in attendance for the committee to be quorate.
- 1.6 The Director of Finance & Resources shall be required attend the committee.
- 1.7 Only members of the committee have the right to attend the meetings and vote as required. However, other individuals including the Chairman of the Board and the Chief Executive Officer, other directors and external representatives may be invited to attend all or part of the committee as and when deemed appropriate and necessary.

2 Meeting Arrangements

- 2.1 The committee shall meet (face to face or virtually) three times a year at appropriate times and otherwise as required.
- 2.2 Where decisions require a vote, there shall be one member one vote. Members who are unable to attend, may give their proxy to the Committee Chairman. In the event of a tie, the Chair will have the casting vote.
- 2.2 The Director of Resources or his or her nominee shall act as secretary of the committee.
- 2.3 The agenda and papers will be circulated at least one week prior to the meeting.
- 2.4 Draft minutes will be circulated to all members for comment before being presented to the Chair for approval. Approved minutes will be presented to the IPSE Board for consideration by the Chair of The Audit & Risk Committee.

3 Purpose

- 3.1 To review, with the External Auditors, the draft Statutory Accounts and consider any accounting and audit points arising and recommend them to the Board of Directors for approval.
- 3.2 To review the appropriateness of IPSE's accounting policies and make recommendations to the IPSE Board where appropriate
- 3.3 To review and recommend to the IPSE Board of Directors the appointment, removal and remuneration for the External Auditors;
- 3.4 To provide oversight of IPSE's Strategic and Business risks and review the companies Risk register.
- 3.5 To oversee the processes that ensure compliance with relevant financial, legal and regulatory frameworks.
- 3.6 To assess the adequacy Public Liability and Professional Indemnity Insurance and other insurances as appropriate.

4 Annual General Meeting

The committee Chairman or his or her designated deputy should attend IPSE's Annual General Meeting to respond to questions from members on the committee's activities.

December 2015