

UK Athletics Audit Committee

Terms of Reference

1. Membership

- The committee shall be appointed by the Board and will comprise a Chair and at least two other members.
- The committee will comprise all non-executive directors but other individuals may be asked to attend as appropriate. It is expected that the Chair of the Board, Chief Executive and Finance Director will be in attendance.
- Chair of the Board will not be a member of the committee
- The committee members will be independent of the management of the company and care will be taken to minimise the risks of any conflict of interest that might give rise to an unacceptable influence.
- The Company Secretary or their nominee shall be the secretary to the committee.

2. Meetings

- The committee shall meet at least three times per calendar year and at such times as the Chair of the committee requires.
- The quorum necessary for transaction of the business shall be two.
- Meetings shall be summoned by the secretary to the committee. Notice of the meeting including time and venue together with an agenda of items to discuss plus all relevant meeting papers will be forwarded to each member of the committee no less than one week prior to the meeting.
- The secretary shall minute the meetings, including attendance, conflicts of interest and proceedings. Minutes shall be circulated to all members of the committee and to the Board promptly after the meeting.
- The external auditors shall be able to summon a meeting of the committee if required.
- At least one meeting per year, or part thereof, will be held where the external auditors meet the non-executive directors only.
- Agenda items for meetings shall be covered in the annual committee meeting planner

3. Duties

- Perform in depth scrutiny of financial reports to facilitate Board reviews.
- Review the effectiveness of the company financial reporting and internal control policies and procedures
- Review the effectiveness of the company's risk management strategy and underlying procedures for the identification, assessment, control and reporting of risks
- Review of Business Continuity Plan and Crisis Simulation Test Reports
- Consider the relevance of establishing an independent internal audit function.
- Devise an annual internal audit programme

- Make recommendations to the Board on the (re-) appointment of the company external auditors and their remuneration.
- Liaise as required with the Audit Committees of any subsidiaries or associated companies.
- Monitor the integrity of the financial statements reviewing significant financial reporting issues and judgements therein.
- Meet with the external auditors as appropriate to determine the scope of the external audit and to review the financial statements. The committee will then make recommendations to the Board, who will approve, or otherwise, the financial statements.
- Make recommendations to the Board on actions required as a result of the audit
- Review the non-audit usage of the external auditors and the fees payable
- Review the accounting policies in use and those under consideration, as well as ensuring consistency of application.
- Report orally to the Board on each committee meeting
- Make recommendations to the Board as appropriate given the scope of the committee's duties.
- Review the management letter from the external auditors and the response by the executive.
- Review the reports of audits and financial / governance reviews conducted on behalf of UK Sport and Sport England
- Review related parties information provided by directors and senior management team at least once per year to ensure the information is current and accurate, to the best of the committee's knowledge, and that any conflicts of interest arising are reported and ensure that conflicts of interest are dealt with in an appropriate manner and do not impact on the impartiality of the company
- Review the company's whistleblowing policy on an annual basis to ensure appropriate
- Review incidents and reports on whistleblowing at least once a year to ensure operation of procedures is dealing with incidents in an appropriate manner
- Review the company's complaints procedures on an annual basis to ensure appropriate
- Review complaints reported at least once a year to ensure operation of procedures is dealing with complaints in an appropriate manner
- Review gifts register to ensure no inappropriate gifts are accepted and that gifts accepted and rejected do not give cause for concern
- Review directors' and UK members councillors' expenses at least once a year to ensure claims are reasonable and in accord with the expenses policy
- Review Insurance Policies and cover annually.

Date last reviewed by Audit Committee - 28 October 2016

Date last approved by Board – 3 November 2016