



### **Audit, Performance & Risk Assurance Sub Committee Remit**

The Audit, Performance & Risk Assurance (APRA hereafter) Sub Committee exists to advise the Board on external and internal audit, risk management, performance management and policy review, and to make decisions on matters delegated to it by the Board, as listed under sections 1 to 6 of this remit.

It is the responsibility of the APRA Sub Committee to monitor the integrity of the financial statements of the Association and any formal announcements relating to the Association's financial performance, and reviewing significant financial reporting judgements contained in them.

#### **1. Constitution and Composition of the Audit, Performance & Risk Assurance Sub Committee**

- I. The APRA Sub Committee will have sufficient authority and resources and to consult widely, both internally and externally as required. The APRA Sub Committee is authorised to seek relevant and appropriate information to support its activities and to obtain necessary external professional advice within these Terms of Reference, in line with budget provision.
- II. The APRA Sub Committee will act in an advisory capacity to the Board but will also be able to take decisions as defined within its delegated authority.
- III. At least three non-executive members of the Board shall serve on the APRA Sub Committee. The Board must be satisfied that at least one non-executive member of the APRA Sub Committee has recent and relevant financial and/or internal/external audit experience.
- IV. The Chairperson of the Association may be a member of the APRA Sub Committee but shall not be Chair of the APRA Sub Committee.
- V. The APRA Sub Committee will have the right to report directly to the Chairperson of the Association.
- VI. Three members of the APRA Sub Committee shall form a quorum (excluding co-opted members).

- VII. A Chairperson will be elected from amongst the members of the APRA Sub Committee at its first meeting following the Annual General Meeting of the Association.
- VIII. If the Chairperson is absent from a meeting of the APRA Sub Committee, the other members will select one of their number to chair the meeting, who shall be entitled to use the casting vote
- IX. The APRA Sub Committee is subject to the Rules of the Association, to the overall authority of the Board, to the Standing Orders and to all the Policies approved by the Board.

## **2. External Audit**

- I. Receive from the external auditor the annual report/management letter, consider its recommendations, report to the Board on its implications and monitor the implementation of any recommendations.
- II. Ensure whether or not the Association is getting good value for money from its external auditor.
- III. Review the external audit work on behalf of the Board.
- IV. Recommend to the Board the re-appointment or otherwise of the external auditor.
- V. Recommend to the Board the fee to be paid to the external auditor.
- VI. The external auditor has the right of access to the APRA Sub Committee Chairperson and also the right to request a meeting of the Audit Sub Committee be convened, if in their opinion it is necessary.

## **3. Internal Audit**

- I. Ensure that the Association has appropriate internal audit arrangements and to approve the scope and/or limitations of such arrangements.
- II. Review and monitor the effectiveness of the Association's internal audit function and make recommendations to the Board regarding the appointment, reappointment and removal of the internal auditor.
- III. Input, review and approve the planned programme of internal audit work to ensure its appropriateness.

- IV. Receive and consider reports, setting out the internal auditor's findings and recommendations for those parts of the system of internal control reviewed (audit topics).

#### **4. Special Provisions relating to Internal Audit function**

- I. The APRA Sub Committee should meet with the internal auditor, at least once a year, without officers being present, to ensure there are no unresolved issues of concern.
- II. The Internal Auditor has the right of access to the APRA Sub Committee Chairperson and also the right to request a meeting of the Audit Sub Committee be convened, if in their opinion it is necessary.

#### **5. Internal Control**

- I. Satisfy the Board that there is a sufficient, systematic review of the internal control arrangements of the Association, both operational (relating to effectiveness, efficiency and economy) and of financial reporting controls.
- II. Ensure that weaknesses in control are being corrected and reported to the Board accordingly.
- III. Consider the external auditor's management letter.
- IV. Learn from the internal audit function of any major audit findings, determine any action required, monitor its implementation, and report to the Board thereon.
- V. Commission special investigations into matters of particular concern relating to internal control.
- VI. Review and report on all Registers i.e. Fraud, Bribery and Corruption, Payments and Benefits, Gifts and Hospitality and Declarations of Interest to each APRA Sub Committee meeting.

#### **6. Performance**

- I. To focus on the development, setting and monitoring of performance targets and benchmarks across all aspects of the business.
- II. Ensure that the Board receives accurate and effective reports relating to matters of control and performance management to ensure effectiveness and efficiency of all operations.
- III. Satisfy the Board that there is a sufficient and systematic review of the internal control arrangements of the Association

- IV. Monitoring the performance of the Association's approach to value for money.

## **7. Risk Management**

- I. Maintain and review the Association's Risk Management policy and framework.
- II. Monitor and review the Association's Risk Map and progress against key risks.
- III. Present a Risk Management Report to the Board on a six-monthly basis including details of the key risks facing the Association, action taken and a copy of the Association's full risk map.
- IV. Monitor the Associations Business Continuity Plan
- V. Policy Review Timetable
- VI. Monitor the Association's policy review timetable to ensure all policies due for review are being appropriately presented to the Board.
- VII. Staff Attendance at Meetings
- VIII. The Senior Staff Team and other appropriate officers will be expected to attend the regular APRA Sub Committee meetings, as directed by the APRA Sub Committee.
- IX. The Chairperson of the APRA Sub Committee may require staff in attendance to leave the room, as required, due to the sensitivity of the matter under discussion.
- X. Reporting by the APRA Sub Committee
- XI. All members of the Board who are not members of the APRA Sub Committee will receive a copy of the full minutes of each meeting.
- XII. The Chairperson of the APRA Sub Committee will speak to the minutes of the last Audit Committee meeting/s, at the meeting of the Board; and account to the Board for all decisions taken under delegated authority.
- XIII. Equal Opportunities Policy

- XIV. Comply with the terms of the Association's Equal Opportunity policy insofar as they relate to the remit of the APRA Sub Committee to prevent discrimination taking place.

**Approved by the Board on 28 September 2021**