

Audit & Risk Management

Terms of Reference

MAIN PURPOSE

- 1. To oversee the establishment of a risk policy for the organisation**
- 2. To oversee the establishment of a risk management framework for the organisation**
- 3. Ongoing review of the risk management framework, the risk register and process**
- 4. To report and make recommendations to the Board on risk policy and procedures**

MEMBERSHIP OF THE COMMITTEE

The Audit and Risk Management Committee will have a minimum of three members appointed by the Board. The Chairperson of the Audit and Risk Management Committee shall be a Director.

FREQUENCY OF MEETINGS

The Audit and Risk Management Committee will meet at least 4 times a year

STAFF IN ATTENDANCE

A member of the Senior Management Team of Foróige will normally be in attendance at Audit and Risk Management Committee meetings. Other staff may be asked to attend for specific items on the agenda. The Chief Executive has the right to attend all Audit and Risk Management Committee meetings.

The Audit and Risk Management Committee may also choose to ask any staff person to leave the meeting for particular items on the agenda.

The committee will work with Management team members in attendance and report regularly to the Board

SPECIFIC RESPONSIBILITIES

External Audit

1. The Chair of the committee will liaise with the chair of the finance committee regarding external Audit
2. The chair of the Audit and Risk committee has the right to attend the external audit close out meeting
3. To review the external auditor's management letter and management's response before it is issued

Internal controls

1. To review the effectiveness of the organisation's internal risk control framework
2. To consider management's response to any recommendations made by the external auditor and review with the external auditor any fraudulent or illegal acts, deficiencies in internal control or other similar issue, including reviewing the results of management's investigation and follow up of any fraudulent acts

3. To consider managements response to identified risks on the risk register and to review with independent expertise where required

Risk and risk management

1. To develop a process for risk identification and management of risk in each segment of the business and to consider the effectiveness of and outputs from this process;
2. To review at least annually the process for monitoring the organisation's compliance with NQSF and other relevant regulatory bodies
3. To review the firm's procedures concerning the prevention and detection of fraud and financial crime
4. To review the firm's arrangements for regulatory compliance and consider any material findings from regulatory reviews

Annual financial statements

1. To review the content of the risk assessment report in the Annual Report;

Minutes

- **Ensure appropriate minutes of all Audit and Risk Management Committee meetings are kept and circulated to board members with Board papers for information (there may be confidential items, which will be separately minuted and held by the Chairperson of the sub-committee).**

Reporting

5. **Prepare a report for the Board to be presented at the next Board meeting following the Audit and Risk Management Committee meeting**
6. **Highlight to the Chairperson of the Board any items discussed by the Audit and Risk Management Committee which need to be addressed by the Board.**

Confidentiality

To ensure that confidentiality is upheld and that data protection legislation is adhered to.

