



**Terms of Reference for the
Audit Committee
for
British Equestrian Federation (BEF)**

Approval

Approved by (role)	Name	Board/ Executive	Date	Date For Review
Board Chair	Joanne Shaw	Board	18/10/17	17/10/18

Terms of Reference for the Audit Committee

1. Purpose of the Audit Committee

The purpose of the Committee is to:

Assist the Board of Director's in fulfilling its oversight responsibilities. The Committee is more specifically mandated to monitor the financial reporting process and system of internal controls regarding financial reporting and accounting compliance, and the audit of its financial statements.

2. Authority and Accountability

The authority of the Committee is established by the Board. It reports to the Board.

3. Membership

The Committee shall comprise:

- one Independent Director with significant financial expertise who shall chair the Committee;
- one Independent Director;
- one Nominated Director; and
- one Elected Director,

3.1 Appointments to the Committee are made by the Board and shall be for a period of up to four years, which may be extended for further periods of up to four years, provided the director still meets the criteria for membership of the Committee.

3.2 The Head of Finance shall act as the Secretary of the Committee.

4. Duties

4.1 The duties of the Committee shall be:

The primary duties and responsibilities of the Committee include:

- Review of the external Auditors' Audit Plan
- Review internal auditing process, accounting standards and practices
- Financial information, system of accounting systems, internal controls and the reliability of information
- Review of the Company's Policies and Procedures relating to financial governance and risk management, including annual review of the risk management policy and risk register
- Ensure any certifications required by Regulatory Authorities are in place
- Review annual Financial Statements and Reports prior to approval by the Board
- Oversight of any litigation, contingent liabilities and tax matters, including compliance with statutory tax obligations
- Accounting and auditing issues
- Manage incidents of fraud and the operation of the Company's Financial Regulations relating to whistleblowing
- Ensure that policies and procedures are in place relating to fraud and the prevention of corruption
- Recommending the appointment and reappointment of the Company's external Auditors

4.2 The Committee is responsible for ensuring the independence of the external Auditors. The Committee must maintain a direct relationship with the Board, the management as well as with the external Auditors. The external Auditors must report directly to the Committee.

5. Procedure

5.1 The committee shall meet at least once a year and otherwise as required.

5.2 Meetings of the committee shall be called by the Secretary of the Committee at the request of the Committee Chairman. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, and any other person required to attend, by email no later than 24 hours before the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

5.3 Attendance of non-members of the Committee shall be by invitation only.

5.4 The quorum necessary for the transaction of business shall be three members of the Committee provided always that there shall be a majority of independent directors. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee

5.5 A person may participate in a meeting of the Committee by telephone, video conferencing, or other similar equipment provided that throughout the meeting all persons participating in the meeting are able to communicate interactively and simultaneously with all other parties participating in the meeting. A person participating in a meeting in this manner shall be deemed present in person at the meeting.

5.6 The Secretary shall minute the proceedings and decisions of all meetings of the committee, including recording the names of those present and in attendance.

5.7 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee.