

The Scottish Hockey Audit Committee: Terms of Reference

The Scottish Hockey Audit Committee is a sub-committee of the board of Scottish Hockey and is responsible for:

- Monitoring the financial performance of the organisation, including any associated businesses and the financial relationships with any funders or partners.
- Reviewing internal financial controls.
- Reviewing the company's internal control and risk management systems.
- Making recommendations to the board in relation to the appointment, re-appointment, and removal of the external auditor, and approve the remuneration and terms of engagement of the auditor.

Reporting

The audit committee reports to the board of Scottish Hockey.

Membership

The committee will consist of three directors of Scottish Hockey (one of whom will chair the committee), CEO, and up to three additional members, who may not be board directors or management committee members. The skills required from the Scottish Hockey directors who are members of the committee, are within the specialisms of finance, legal, and human resources. If the Scottish Hockey Board has appointed a company secretary they should also receive an invite to attend as an observer.

Appointment of Audit Committee

The board appoints the members of the audit committee on an annual basis at the first board meeting following the Scottish Hockey AGM. This includes the appointment of the chair of the audit committee. These appointed members may not have a role on either the board or the management committee but should be chosen for their specific expertise (eg Legal, Charitable. Risk etc).

Frequency of Meetings

The audit committee shall meet on not less than three occasions each year. Virtual meetings, if quorate, shall be considered formal meetings. A quorum at each meeting shall be three members. An external or internal auditor may be requested to attend particular meetings if required, e.g. for annual accounts sign off.

Record of Meetings

The audit committee shall ensure that an agreed written record of each of its meetings is kept by a nominated staff member/senior volunteer. The written note is to be provided at the next board meeting.

Staff Attendance

Staff may be invited, as part of their normal duties or personal development, to attend meetings.

Responsibilities of the Audit Committee

The responsibilities of the committee will be delegated to it by the board and will include the following:

FINANCE

- Review the annual accounts of the organisation for board sign-off, including the accounts of any subsidiary or charitable organisation to Scottish Hockey.
- Review the strategic budget for the upcoming financial year to ensure it is financially sustainable. This should include a monthly cash flow forecast.
- Recommend auditors for approval to the Scottish Hockey AGM.
- Confirm the competitive tendering process is in place and utilised for any purchase over £5,000. Review any procurement arrangements that have not been subject to a tender process.
- Review financial policies every two years.

CORPORATE GOVERNANCE

- Review Scottish Hockey's risk register and highlight any risks that need to go to the board for further discussion.
- Ensure any legal submission deadlines are met.
- Ensure the completion of any action points from the external auditors, or action points generated from other audits from the organisation (such as **sportscotland** audits).
- Review gifts and hospitality register on an annual basis.
- Review the effectiveness of the internal control environment.
- Assess register of interests on an annual basis.
- Consider the impact of any legislation changes that may affect the successful running of Scottish Hockey and/or the audit committee.
- Assess business continuity and disaster recovery plans every two years or following the need to use the plans.
- Evaluate critical policies (such as whistle blowing) on a rolling programme.
- Examine the claims history on the Scottish Hockey insurance policy, and ensure that the policy covers the key risks for Scottish Hockey.

STAFF GOVERNANCE

- Ensure the directors and chair receive an annual director peer review.
- Review the staff succession planning process for Scottish Hockey.
- Review staffing policies every two years.
- If required, oversee remuneration changes within Scottish Hockey.