

Mountaineering Ireland

Finance, Audit & Risk Committee

Terms of Reference

Purpose

The Board has established a Finance, Audit and Risk Committee as a Committee of the Board to support them in discharging their responsibilities for issues of risk, control and governance by ensuring that risks relating to Mountaineering Ireland are properly identified, reported, assessed and controlled.

Membership

The Chairperson of the Finance, Audit and Risk Committee is appointed by the Board of Mountaineering Ireland and the committee should consist of no less than two additional Board members, the Chief Executive Officer of Mountaineering Ireland and a representative from the organisations Accounting Partners.

Appointments to the Finance, Audit and Risk Committee should be made by the Board in consultation with the appointed Chairperson of the Finance, Audit and Risk Committee.

Non-executive Board members who are appointed to the Finance, Audit and Risk Committee shall be appointed for a term of three years and can be renewed for up to another three years but no period of appointment to the Finance, Audit and Risk Committee shall exceed the expiration date of the members' appointment to the Board of Mountaineering Ireland.

The Board of Mountaineering Ireland may appoint independent external members to the committee for a specific time period.

Meetings and Quorum

- The Finance, Audit and Risk Committee will meet at least four times a year. The Chairperson of the Finance, Audit and Risk Committee may convene additional meetings, as they deem necessary
- A minimum of [three] members of the Finance, Audit and Risk Committee will be present for the meeting to be deemed quorate (three out of the five)
- The business of the Finance, Audit and Risk Committee requires the Chief Executive Officer in attendance, also a representative from the external auditors should attend for specific meetings or agenda items at the Committee's request. The Chairperson of Mountaineering Ireland may also attend
- The Finance, Audit and Risk Committee may ask any other officials of Mountaineering Ireland to attend to assist it with its discussions on any particular matter
- The Finance, Audit and Risk Committee may ask any or all of those who normally attend but who are not members to withdraw, to facilitate open and frank discussion of particular matters

- The Board may ask the Finance, Audit and Risk Committee to convene further meetings to discuss particular issues on which they seek the Committee's advice

Key Responsibilities

Annual Audit of Financial Statements

- (1) Review the draft annual financial statements and related reports of the company and recommend their approval to the Board
- (2) Make recommendations to the Board on the appointment of external auditors
- (3) Monitor the external auditor's independence, objectivity and effectiveness
- (4) Review and make recommendations to the Board in respect of matters raised by the external auditor in the post audit report
- (5) Advise the Board, as appropriate, whether the organisation is receiving a cost-effective and high quality professional service from its external auditors. This advice will be based on an evaluation of the auditor's performance

Financial Management and Controls

- (1) Review the effectiveness and operation of the accounting policies, financial management processes and internal controls in place throughout the organisation
- (2) Receive and review the monthly management accounts presented by the Chief Executive Officer
- (3) Review and report to the Board on the management accounts on a quarterly basis.
- (4) Review the annual budget and its underlying assumptions, as presented by the Chief Executive Officer, and recommend its approval to the Board
- (5) Develop and assess long-term financial strategy, in collaboration with the Chief Executive Officer
- (6) Review financial performance measures against actual performance against short, medium and long-term plans and benchmarks
- (7) Review and report to the Board on significant capital expenditure proposals
- (8) Meet such requests from the Board for assistance, concerning finance related matters, as may arise from time to time

Risk Management

- (1) Conduct formal review of the effectiveness of the system of risk register, covering all material controls; financial, operational and compliance controls and risk management systems. Through this risk assessment make recommendations to the Board as appropriate
- (2) Ensure there are appropriate risk management strategies and risk avoidance/risk mitigation measures in place
- (3) Assess whether management is setting the appropriate 'control culture' through communication and behaviour

Reporting

The Finance, Audit and Risk Committee will formally report either by verbal update and/or in writing to the Board after each committee meeting. The report will include a copy of the minutes of the Finance, Audit and Risk Committee meetings which have been held since the previous Board meeting

The Finance, Audit and Risk Committee will provide the Board with an Annual Report, timed to support finalisation of the annual report and financial statements, summarising its conclusions from the work it has done during the year. Note: The report provided following each, Finance, Audit and Risk Committee may be sufficient as it would include a brief description of work carried out and conclusions reached

The Board will review the performance of the committee on an annual basis

Resources

The Board of the company will provide resources to enable the committee to perform its functions satisfactorily

The committee, following notification to the Chair of the Board, may seek such external professional advice as it deems necessary to discharge its responsibilities

Rights

The Finance, Audit and Risk Committee may co-opt members to provide specialist skills, knowledge and experience and the Board will be notified where such members are co-opted

The Finance, Audit and Risk Committee may procure specialist ad-hoc advice at reasonable expense to Mountaineering Ireland, subject to budgets agreed by the Board

The Finance, Audit and Risk Committee has the explicit authority to investigate any matters within its terms of reference, as well as the resources and outside professional advice it needs to do so, and full access to information

Information Requirements

The Finance, Audit and Risk Committee will be provided with:

1. A report summarising any significant changes to Mountaineering Ireland's strategic risk and a copy of the strategic/corporate risk register
2. A progress report from the Accounting Partners including:
 - i. Work performed (and a comparison with work planned)
 - ii. Key issues emerging from their work
 - iii. Management response to recommendations raised
 - iv. Any issues affecting the delivery of their service
3. A progress report from the external auditors summarising work done and emerging finding in relation to annual audit and any other ad-hoc work performed
4. Reports on the management of any major incidents, 'near misses' and lessons learned
5. Draft financial statements of the organisation
6. The report on any changes to accounting policies

Responsibility of Management

Management will ensure that all information relevant to the discharge of the Committee of its responsibilities, detailed above, is provided to the Committee (as requested by the Committee). Management will also ensure that matters of material concern that are relevant to the Committee's responsibilities are brought to the attention of the Committee promptly.