

AUDIT AND RISK COMMITTEE

Accountability

To the Diocesan Board of Finance (DBF).

Terms of reference

1. To review the integrity of the financial statements of the DBF, including its annual report and management accounts.
2. To review and approve the statements in the annual report with particular reference to:
 - a) significant accounting policies, any changes to them and any significant estimates and judgements;
 - b) significant financial reporting issues and judgments made in connection with the preparation of the financial statements;
 - c) the clarity and completeness of disclosures in the financial statements and consideration of whether the disclosures are set properly in context;
 - d) compliance with accounting standards and legal requirements.
3. To review and approve any significant adjustments resulting from the audit.
4. To make recommendations to the DBF (for approval at the AGM) in relation to the appointment, reappointment and removal of the company's external auditor, including periodic retendering.
5. To oversee the relationship with the external auditor including recommendations on the remuneration and terms of engagement; including meeting the auditors at least once a year (including meeting without staff present).
6. To keep under review the adequacy and effectiveness of DBF's internal financial controls.
7. To consider and make recommendations to the DBF and Bishop's Council in respect of strategic risks, specifically undertaking a thorough review of the risk register prepared by management.
8. To periodically review management's assessment of significant risks and risk mitigation measures.
9. To raise with other leadership and governance bodies any concerns about risk management in areas of their respective responsibilities.
10. To review operational policies in the areas of financial management and security and in any other areas requested by the DBF.

Constitution

Appointed

- Up to five members appointed by the DBF, of which at least three should be members of the DBF (excluding the DBF Chair, who should not be a member of this committee).

In attendance

- Diocesan Secretary
- Director of Finance
- Deputy Director of Finance

Chair and Vice Chair

To be appointed by the DBF