

STANDING COMMITTEE

Audit & Risk

Purpose

The Audit and Risk Committee (the “Committee”) will have independent oversight of the British Judo Association (BJA) and establish formal and transparent arrangements to support the Board of Directors of the BJA (the “Board”) in considering issues of corporate reporting, risk management, internal control principles and for maintaining an appropriate relationship with the company’s auditors together with oversight of commercial activities. The Committee will report its findings, recommendations and assurances to the Board.

Composition

3 x Independent Non-Executive Directors (one of whom will assume the role of Chair)

1 Non-Executive Director

BJA CEO

BJA Head of Finance and Operations (in attendance)

Terms of Reference

1. Financial Reporting

- 1.1 The Committee shall monitor the integrity of the financial statements of the BJA, including its annual reports, interim management statements and any other formal statements relating to its financial performance, and review and report to the board on significant financial reporting issues and judgements which those statements contain having regard to matters communicated to it by the auditor.

2. Internal controls and risk management systems

- 2.1 Keep under review the company’s internal financial controls systems that identify, assess, manage and monitor financial risks, and other internal control and risk management systems.
- 2.2 Review and approve the statements to be included in the annual report concerning internal control, risk management and the viability statement.

3. Compliance, whistleblowing and fraud

- 3.1 Review the adequacy and security of the company’s arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters.
- 3.2 Ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action
- 3.3 Review the company’s procedures for detecting fraud.

- 3.4 Review the company's systems and controls for the prevention of bribery and receive reports on non-compliance;
- 4. Internal audit**
 - 4.1 Review and approve the annual internal audit plan to ensure it is aligned to the key risks of the business and receive regular reports on work carried out.
- 5. External audit**
 - 5.1 Oversee the selection procedure for the appointment of the BJA's external auditor, ensuring that all tendering firms have access to all necessary information and individuals during the tendering process.
 - 5.2 Oversee the relationship with the external auditor by approving the term and scope of engagement, their remuneration, including both fees for audit and non-audit services, and ensure that the level of fees is appropriate to enable an effective and high-quality audit to be conducted.
 - 5.3 Assess annually the external auditor's independence and objectivity considering relevant UK law, regulation, the Ethical Standard and other professional requirements and the group's relationship with the auditor including any threats to the auditor's independence and the safeguards applied to mitigate those threats including the provision of any non-audit services.
 - 5.4 Monitor the auditor's processes for maintaining independence, its compliance with relevant UK law, regulation, other professional requirements and the Ethical Standard, including the guidance on the rotation of audit partner and staff.
 - 5.5 Evaluate the risks to the quality and effectiveness of the financial reporting process in the light of the external auditor's communications with the Committee.
 - 5.6 Meet regularly with the external auditor (including once at the planning stage before the audit and once after the audit at the reporting stage) and, at least once a year, meet with the external auditor without management being present, to discuss the auditor's remit and any issues arising from the audit.
- 6. Commercial activity**
 - 6.1 Oversee the commercial activities, partnerships and contracts of the BJA, ensuring risk and opportunities are adequately assessed in accordance with the thresholds established by the Board.
 - 6.2 Ensure due diligence processes are in place to manage and mitigate risk to BJA.

7. Reporting responsibilities

- 7.1 The Committee Chair shall report formally to the board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities.

8. Appointment and Membership

- 8.1 The Committee shall comprise at least three members. Members of the Committee shall be appointed by the Board in consultation with the Chair of the Committee.
- 8.2 All members of the Committee shall be independent non-executive directors at least one of whom shall have recent and relevant financial experience and with competence in accounting and/or auditing. The Chairman of the Board shall not be a member of the Committee.
- 8.3 The Financial Controller shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.
- 8.4 The quorum necessary for the transaction of business shall be two members.
- 8.5 In the absence of the Chair, the members shall agree, from those members present, a person to act as Chair for the meeting, or, until such time as the Chair is in attendance.

9. Frequency of Meetings

- 9.1 The Committee shall meet at least three times a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required.
- 9.2 Members will be expected to attend meetings in person, but may, with the consent of the Chair, attend by video or telephone conferencing.

10. Future Planning

- 10.1 The Committee will review these Terms of Reference annually and will submit recommendations or amendments to the Board for approval.

'All Commissions will ensure that they will consider within their activities all issues relating to Equality, Inclusion and Diversity and that they meet the Association's strategic vision of becoming a 'World-Leading Judo Nation' that is inclusive, accessible and ethically driven'.