



# AUDIT COMMITTEE TERMS OF REFERENCE

(Last updated June 2024)

## 1. AUTHORITY

- 1.1 The Audit Committee is a committee of the Bowls England Board established to support the Board in its responsibilities for issues of finance.
- 1.2 The Committee role is to assure the Board that an appropriate system of control is in place to ensure financial statements are prepared in a timely manner and give a true and fair view of the financial position of the Company; to ensure reasonable steps are taken to prevent fraud; and public and member money is safeguarded and accounted for, in accordance with laws and proper standards.
- 1.3 The Committee shall operate within the powers delegated to it by the Board and in line with the responsibilities contained within Section 3 of these Terms of Reference.

## 2. RESPONSIBILITIES

- 2.1 Assist in discharging the Board's responsibilities as they relate to financial management and internal controls, accounting policies and financial reporting.
- 2.2 Review accounting policies adopted and any changes in accounting principles or practices introduced.
- 2.3 Acting as a channel of communication between the Board and External Auditor, holding meetings if necessary to discuss the annual report, the scope of the audit or any associated matters.
- 2.4 Undertake an annual review of all statutory audit material, in particular any annual report or management letter relating to certification of the Board's accounts, providing recommendations to the Board.
- 2.5 Regular review of action planned and undertaken by Bowls England's management to remedy any weaknesses identified by the External Auditor.
- 2.6 Noting the appointment of the External Auditor and fee. Leading discussion on recommendations for changing the External Auditor.
- 2.7 Reviewing the strategic processes for financial risk, control and governance.
- 2.8 Developing and evolving long term financial forecasts aligned to the Board's strategy including the Company's reserves policy and investment strategy.

### **3. MEMBERSHIP**

- 3.1 The Committee shall consist of a minimum of three members with relevant skills and experience appointed by the Board, including no less than two Independent Directors.
- 3.2 The Committee will be chaired by an Independent Director with the most relevant skill set. In the absence of the committee Chair, the Committee will elect one of its members to deputise.
- 3.3 The Committee may co-opt additional members for a period not exceeding one year to provide specialist skills, knowledge and experience and may procure specialist ad-hoc advice at the expense of the organisation, subject to budgets being agreed in advance by the Board.
- 3.4 The maximum term of office for this committee will be in accordance with the maximum term of office for Board Directors. The Board will regularly review the membership of the committee in accordance with its review policy and may re-appoint or remove members in this review.
- 3.5 The committee meetings will normally be attended by the Chief Executive or Finance Manager who shall provide the secretariat function. These executive officers will not be in attendance when the Committee is discussing any issues which are personal to them.
- 3.6 The committee members must declare any conflicts of interest to the Chair of the committee who will act in accordance with Bowls England policy.
- 3.7 Committee members must act professionally in accordance with Bowls England's code of conduct.
- 3.8 The Committee may ask any other member of staff to attend a meeting to assist in its work.

### **4. MEETINGS**

- 4.1 The Committee will meet as often as necessary to complete its work, but at least once per year. The Chair of the Committee or the Chief Executive may convene additional meetings as they deem necessary.
- 4.2 The Committee shall have, at least, one private meeting with the External Auditors each year.
- 4.3 The Chair of the Audit Committee will be required to convene a special meeting of the Audit Committee if they are in receipt of a written requisition to do so signed by two Board Members, the External Auditor or the Chief Executive.
- 4.4 The meetings may be held in person or by teleconference or video conference and individual members may join a physical meeting remotely via teleconference or video conference and be regarded as present at the meeting.
- 4.5 Papers to meetings shall be circulated at least one week before the date of the meeting.
- 4.6 A minimum of two members of the Committee must be present for the meeting to be deemed quorate.

## **5. RESOLUTIONS AND VOTING**

- 5.1 Decisions of the Committee shall be taken by resolution and recorded in the minutes. Where a consensus cannot be agreed, the Chair may request a vote on a show of hands, in which case each Committee Member shall have one vote. In the event of a tied vote, the Chair shall have the casting vote.

## **6. REPORTING**

- 6.1 The Committee shall report its decisions to the Board by the submission of either the minutes of the committee meeting and/or where necessary a report by the Chair of the committee. The Committee will provide the Board with an annual report timed to support the finalization of any governance report required to be submitted for the Bowls England Annual Report and at the Annual General Meeting.
- 6.2 Draft minutes of the meeting will usually be circulated to the Committee members within 14 days of the meeting. Once approved, minutes are sent to the Board. Where necessary, the Chair of the Committee will provide a report to the Board with any recommendations, substantive matters of importance, or material issues or concerns.
- 6.3 Minutes and reports from this committee are restricted to the Board.

## **7. REVIEW**

- 7.1 These Terms of Reference, remit and effective working of the Nominations Committee will be reviewed annually.