

# Terms of Reference (ToR) – Board Audit Committee

1	Purpose	The Board Audit Committee is established to support the Board of Directors in overseeing the integrity of the Society’s financial reporting, the effectiveness of internal controls and audit arrangements, and compliance with relevant legal, and regulatory requirements. The Committee provides independent oversight and assurance to the Board in these areas but does not assume responsibilities that properly belong to the Board or management.
2	Scope	Covers oversight of financial reporting, internal controls, internal and external audit, and audit-related regulatory and compliance matters. This includes reviewing the integrity of financial statements, the effectiveness and independence of audit functions, and arrangements for the prevention and detection of fraud.
3	Responsibilities	<ul style="list-style-type: none"> <li>▪ Review annual and interim financial statements, accounting policies, significant judgements, and disclosures to ensure accuracy, transparency, and compliance with relevant standards.</li> <li>▪ Assess the effectiveness of the internal control framework, financial risk management, and fraud detection.</li> <li>▪ Approve the internal audit charter, review audit plans and reports, monitor independence and effectiveness, and follow up on management actions.</li> <li>▪ Recommend appointment or removal of external auditors, review audit scope, fees, findings, independence, and approve non-audit services policies.</li> <li>▪ Monitor compliance with statutory, regulatory, and prudential requirements, and review reports from regulators relevant to the Committee’s remit.</li> <li>▪ Ensure timely and effective communication with senior management on audit matters and oversee resolution of material audit issues.</li> <li>▪ Provide clear recommendations, updates, and annual reporting on BAC activities, findings, and effectiveness.</li> <li>▪ Periodically evaluate its own performance and review the adequacy of its TOR to ensure continued effectiveness.</li> </ul>
4	Authority	<p>The Committee is authorised by the Board to:</p> <ul style="list-style-type: none"> <li>▪ Investigate any activity within its terms of reference</li> <li>▪ Obtain any information it requires from management, employees, internal audit, or external auditors</li> <li>▪ Seek independent professional advice at the Society’s expense, where necessary</li> <li>▪ Require the attendance of any officer, employee, or external adviser at its meetings</li> </ul>

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5	Oversight of Sub-Committees	N/A
6	Membership & Roles	<ul style="list-style-type: none"> <li>▪ Chair – Board Appointed Non-Executive Director- Lead meetings, ensure agenda completion, escalate material issues</li> <li>▪ Secretary – CFO – Prepare minutes, track action items, maintain documentation</li> <li>▪ Members – Three Non-Executive Directors, including the Chair of the BRC but shall not include the Chair of the Board</li> <li>▪ Attendees – CEO, CFO, CRO, Internal Auditor, and External Audit</li> </ul>
7	Meetings	<ul style="list-style-type: none"> <li>▪ Frequency – at least 4 times per year</li> <li>▪ Format – Hybrid</li> <li>▪ Quorum – 2 members</li> <li>▪ Additional meetings of the Committee shall be convened at the request of any of its members, the Chief Executive or at the request of the External or Internal Auditors if they consider one necessary.</li> </ul>
8	Reporting & Communication	<ul style="list-style-type: none"> <li>▪ Papers submitted to members 3 working days prior to committee</li> <li>▪ Secretary submits 1<sup>st</sup> iteration of minutes to Chair within 5 working days</li> <li>▪ Final minutes socialised no later than 2 weeks following committee</li> <li>▪ Minutes submitted to Board for noting</li> <li>▪ A verbal update to be provided to the Board following the meeting</li> </ul>
9	Review & Amendments	<ul style="list-style-type: none"> <li>▪ The ToR is reviewed annually or as required by regulatory changes or business needs</li> <li>▪ The Committee shall review its performance &amp; effectiveness annually</li> <li>▪ Amendments require approval by the Board</li> </ul>
10	Last Approval	<ul style="list-style-type: none"> <li>▪ Approved by the Board, 26<sup>th</sup> February 2026</li> </ul>