

(Insert company name)

Audit and Risk Committee Charter

Note: This template has been developed as a guide for developing an audit and risk committee charter. Further assistance can be provided by the Special Purpose Vehicle Unit, within the Department of Infrastructure and Planning.

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1 Purpose

Outline the purpose of the audit and risk committee's charter.

2 Authority

Outline the authority in which the committee can operate.

3 Objectives

Outline the function of the committee in fulfilling its corporate governance responsibilities to the Special Purpose Vehicle (SPV). The headings below may provide some guidance in this section.

3.1 Business risk management

3.2 Compliance with legal obligations

3.3 Establishment of an internal control framework

3.4 Ensuring the reliability and integrity of financial information

3.5 Safeguarding the independence of the external auditor

3.6 Audit, accounting and financial reporting obligations

4 Membership

Outline the membership of the committee.

4.1 Appointment

Include a high level statement that the power for appointment and removal rests with the Board.

4.2 Chairman

Outline the requirement/s for the Chairman of the committee.

4.3 Secretary

Outline the requirement/s for the secretarial function of the committee.

4.4 Term

Clearly indicate how long the members will be appointed to the committee.

5 Meetings

Outline how meetings of the committee will be conducted.

5.1 Frequency

Outline the timing and frequency of meetings.

5.2 Quorum

Determine how many members are required to be present for decision making.

5.3 Minutes

Highlight that for transparency and accountability, minutes should be taken of committee meetings.

5.4 Other Attendees

Outline whether the committee will allow for non-members to attend meetings and if so, what authority is required.

6 Duties and responsibilities

Outline the primary and secondary responsibilities of the audit and risk committee. The headings below may provide some guidance in this section.

6.1 Understanding the business

6.2 Business risk management

6.3 Insurance

6.4 Legal and regulatory compliance

6.5 Financial reporting

6.6 External audit

6.7 Internal audit

6.8 Other information

7 Reporting

Outline the necessary reporting that committee will need to undertake. This includes reporting to the Board after each meeting, and annually as part of the annual reporting process.

8 Committee Performance

Outline how the committee's performance will be measured (e.g. reviewing the terms, self-evaluation etc).