

## **AUDIT COMMITTEE**

### **Terms of Reference**

#### **AUTHORITY**

1. The Audit Committee is authorised by the Board to:
  - a) Investigate any activity within its terms of reference
  - b) Seek any information that it requires from any employee of the company and all employees are directed to cooperate with any request made by the Audit Committee
  - c) Obtain outside legal or independent professional advice, at the company's expense, and secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

#### **REPONSIBILITIES**

1. Oversight of internal control, compliance with financial reporting standards and relevant / financial governance and regulatory matters.
2. Assessing the adequacy of the Company's internal financial controls.
3. Monitor the integrity of year end preliminary announcement and financial reporting package, including annual financial statements together with the operating and financial review (OFR), any additional narrative to be given in the annual report on the financial position of the Company, significant accounting and reporting issues and the audit findings, including any suggestions for improvements provided to management.
4. Interim financial statements and the process management used to prepare such periodical financial information.
5. Review the quality and acceptability of the accounting policies and practices and / financial disclosures and changes thereto.
6. Monitor and review the effectiveness of the Company's internal audit function.
7. Ensure that the internal audit function has direct access to the Board Chairman and the Audit Committee.
8. Make recommendations to the Board in relation to the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the external auditor.
9. Review annually the independence and objectivity of the auditors and matters relating to the provision of non-audit services.
10. To discuss with the external auditors, before the audit commences, the nature and scope of the audit and review the audit.
11. The process for monitoring compliance with any internal code of conduct.

## **MEMBERSHIP**

1. The Audit Committee shall be appointed by the Board. The Audit Committee will comprise three members, of which all will be independent Non-executive Directors. The Chairman of the Audit Committee shall be appointed by the Board from amongst the independent Non-executive Directors.
2. A quorum for any meeting will be two members
3. One member of the Audit Committee should have significant, recent and relevant financial experience.
4. The Secretary of the Audit Committee will be the Senior Financial Controller.

## **ATTENDANCE AT MEETINGS**

1. The Group Finance Director will attend all meetings, ex officio.
2. The Audit Committee will invite other such persons to its meetings as it deems necessary.
3. There should be at least one meeting a year, or part thereof, where the audit committee meets the external and internal auditors without executive Board members present.

## **FREQUENCY OF MEETINGS**

1. Meetings shall be held not less than 3 times a year (to coincide with key dates in the company's financial reporting cycle).