

Audit Board - Terms of Reference

Purpose

The Audit Board is responsible for the oversight of the strategy, performance and operations of the Audit Practice. The Board shall from time to time create policies to support this objective. The Board will promote a culture supporting of acting in the Public Interest and Audit Quality.

The Audit Executive will be responsible for the execution of these policies and strategies together with actions necessary to ensure the sound financial performance of the Audit practice.

Membership

There are five members of the Audit Board including the Chair.

The Board will comprise the Senior Partner (Chair), the Head of Audit, an Audit partner selected by the Head of Audit and two Independent Non Executives (INEs) of the LLP. The INEs will be selected by PC from the pool of INEs to ensure they have an appropriate skill set and that connectivity with all boards is maintained.

Chair

It is intended that the Senior Partner will initially be the Chair until such time that the Board has reached a level of maturity in its operating function and at that point the Chair will pass to a non-executive member.

Meetings

The Board would normally meet on a quarterly basis but may meet more frequently if required.

The meeting is chaired by the Chairperson who is responsible for compiling the agenda in consultation with the Head of Audit and the other Board members.

The Board will be quorate with 75% of members attending in person or by telephone, video and other media.



Matters Reserved

The Audit Board have responsibility for considering and where relevant approving the following:

- The Audit Strategy Plan
- The Annual Audit Budget
- The financial results of the Audit Practice
- The Audit Quality Plan
- External Regulatory Reports including thematic reports
- Internal Audit Quality Reports including thematic reports
- An annual report on the Risk & Quality ratings of partners
- The Audit partner pipeline
- An annual presentation on Profit Share allocations of audit partners

Additionally, the Board will receive the minutes of the meetings of the Audit Executive and may request reports and presentations from members of the Leadership Team, the Audit Executive and the Audit Quality Steering Committee in order to conduct its role effectively.

Documentation is to be submitted to the Board a minimum of three days prior to the meeting.

Connectivity with other bodies

The Head of Audit is a member of the Leadership Team. The Senior Partner also attends Leadership Team meetings by invitation.

The Senior Partner is a member of Partnership Council.

The Independent Non Executives are members of the Public Interest Committee.

The Head of Audit is a member of the Audit Executive.

Effectiveness of the Board

A review of Board effectiveness will be conducted every three years.