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**Active Lancashire Limited**

**AUDIT AND FINANCE COMMITTEE OF THE BOARD**

**TERMS OF REFERENCE**

**Constitution and Membership**

1. The Audit and Finance Committee ('the Committee') shall be appointed by the Board. The Committee shall comprise not less than four and not more than 6 members. A quorum shall consist of not less than three Directors one of which must be the Lancashire Director.
2. The Committee shall appoint one of its members as Chair.
3. The Company Secretary shall be Secretary of the Committee.

**Purposes**

The purposes of the Committee are to ensure good financial governance and to enable the company’s financial management and risk assessment to be reviewed in greater detail than is possible at regular Board meetings.

**Functions**

The Committee has delegated authority to agree (or, where appropriate, recommend to the Member(s) of the Company) on behalf of the Board :-

(a) The draft annual Financial Statements ensuring they comply with all statutory and administrative requirements;

(b) the arrangements for internal audit and findings of internal audit reports;

(c) the arrangements for external audit and findings of external auditors;

(d) the Company’s Financial Regulations, internal control policies, procedures for the identification, assessment and reporting of risks, and to monitor, review and update the same;

(e) Risk assessment (including, but not restricted to review of the risk register and performance reports)

(f) Review of the current Profit & Loss account

(g) Review of the Annual Balance Sheet statement

(h) Review proposed write-offs of aged debtors in excess of £2,500 with decision for recommendations to the full Board

any other matters when requested by the Board.

**Reporting Arrangements**

The Minutes of the Audit and Finance Committee shall be presented to the Board for information. The Chair or any other Committee member shall answer any questions thereon.

**Attendance**

1. The Board or Committee may invite any persons they see fit to attend all or part of any meeting of the Committee.
2. The Committee shall meet at least three times per year and as required.

Meetings of the Committee shall be called by the Company Secretary, Chair of the Board, Chair of the Committee or any two Directors of the Board or the Company's Auditors

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**Appendix 2**

**Active Lancashire Limited**

**HUMAN RESOURCES AND REMUNERATION COMMITTEE OF THE BOARD**

**TERMS OF REFERENCE**

**Constitution and Membership**

1. The Human Resources and Remuneration Committee ("the Committee") shall be appointed by the Board. The Committee shall consist of not less than four and not more than six Directors, at least one of which must be the Lancashire Director (as defined by the Company's Articles of Association).
2. The Committee shall appoint one of its members as Chair.
3. When the group acts as nomination committee the group will be Chaired by the Chair of the Board
4. The quorum for the Committee shall be three Directors of which at least one must be the Lancashire Director.

**Meetings**

4. Other Directors and Officers of the Company may attend Meetings at the invitation of the Committee.

5. The Company Secretary shall be Secretary of the Committee.

**Frequency of meetings**

6. The Committee shall meet at least once a year and as required.

**Functions of the Committee**

7. The Committee has delegated authority to agree (or, where appropriate in accordance with the Company's Articles recommend to the Member(s) of the Company) on behalf of the Board:-

1. Changes to the Company’s staffing structure or establishment;
2. The remuneration arrangements (including any benefits) of the employees of the Company;
3. Any scheme or other arrangements relating to any payments made to Directors of the Board;
4. The arrangements for the recruitment and selection of the Chair, Chief Executive and other Senior Executives of the Company;
5. Review the Terms and Conditions of the Chief Executive and any other Executive Manager’s employment and make recommendations to the Board for consideration and decision making
6. the basis and terms on which the employment of the Chief Executive and any other Executive Manager is terminated and any disciplinary issues relating to the Chief Executive or any Executive Manager;
7. The Company's Human Resources related Policies and Procedures (including any schemes and arrangements relating to expenses and hospitality etc);
8. Any delegation of Human Resources functions and/or issues to the Company’s Chief Executive and/or Executive Managers;

h. Any complaints, grievances etc., of any employees or third parties against the Chief Executive and to deal with any appeals under Company HR Policies and Procedures against decisions of the Chief Executive.

1. All other issues relating to the management of the Company’s

Human Resources;

1. The Recruitment and Nominations for new Board members.

k. To consider any other matters referred to it by the Board.

**Minutes**

The Minutes of Meetings of the Committee shall be submitted to the Board for information and the Chair (or other members) of the Committee shall answer any questions thereon.