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GOVERNANCE & MANAGEMENT

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Risk & Audit Committee: Reports & Reporting

Date: 28 October 2026 | Facilitator: Sospeter Thiga

Governance | Training | Employee Benefits

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About the Facilitator



Sospeter Macharia Thiga

MBA | CPA | CISA | IRMCert | CRMA

Current Role
CPF Group Head of Risk & QA, DPO, MLRO

Experience
20 years in GRC & Auditing

Board Memberships
Utana Foundation, KiMAP, Tanari Trust, IRM EA (Co-Chair)

Professional Bodies
ICPAK, IIA, IRM, DPGSK, NQI, TMBB

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Session Objectives & Agenda

- Clarify mandate and anatomy of effective committees
- Assess committee effectiveness against practical criteria
- Read, challenge and improve committee reporting

Run of Session · 2 Hours

0–15 min	**Mandate & committee anatomy**
15–40 min	**Effectiveness & self-assessment**
40–75 min	**Reports, dashboards & financials**
75–100 min	**Case studies (group work)**
100–120 min	**Knowledge check & 30-60-90 plan**

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Mandate of the Risk & Audit Committee



Financial Reporting

Integrity of financial statements and disclosures.



Internal Control

Adequacy and effectiveness of the control environment.



Risk Oversight

Risk appetite, key risks and mitigation progress.



Internal Audit

Charter, plan, independence and follow-up.



External Audit

Appointment, independence, scope and findings.



Compliance & Ethics

Regulatory compliance, whistleblowing and fraud.

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Where the Committee Sits

Assurance Providers

Management & Administrator · Risk & Compliance · Internal Audit · External Auditor



Risk & Audit Committee

Reports to the Board of Trustees · Independent oversight & challenge



Accountable To

Board of Trustees · Sponsor & Members · Regulator (RBA)

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What Makes a Committee Effective



Clear Mandate

Approved charter, reviewed annually.



Right Composition

Independent chair, financial and risk skills.



Disciplined Process

Annual calendar, focused agendas, minuted actions.



Quality Information

Timely, concise, decision-ready reports.



Culture of Challenge

Questions asked, private sessions held.



Follow-Through

Actions tracked until verified closed.

Self-Assessment Scorecard

Dimension	Key Question	Score (1–5)
Mandate	Is the charter approved and reviewed in the last 12 months?	[ ]
Composition	Does the committee have independence, finance and risk skills?	[ ]
Process	Do we follow an annual calendar with minuted actions?	[ ]
Information	Do papers arrive 7 days ahead and support decisions?	[ ]
Challenge	Do we meet auditors and management privately?	[ ]
Follow-through	Are overdue actions escalated and closed on evidence?	[ ]

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The Committee's Annual Cycle

Q1: PLAN

Approve charter, audit plan and risk appetite.

Q2: RISK

Review risk register, compliance and fraud reports.

Q3: CONTROLS

Interim audit findings and ICT/cyber assurance.

Q4: YEAR-END

Review financial statements and external audit report.

ANNUAL REPORT

Self-assessment and committee report to the Board.

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Which Reports Reach the Committee

Report	Owner	Frequency	Key Content
Risk dashboard & register	Head of Risk	Quarterly	Top risks, KRIs vs appetite, mitigation status
Internal audit report	Head of Internal Audit	Quarterly	Findings, ratings, overdue actions
Compliance report	Compliance Officer	Quarterly	Breaches, RBA returns, regulatory changes
External audit management letter	External Auditor	Annual	Control weaknesses and recommendations
Financial statements (IAS 26)	Finance / Administrator	Annual	Net assets, contributions, benefits, disclosures
Fraud & whistleblowing log	Compliance / HR	Quarterly	Cases, investigations, outcomes

Good vs Poor Committee Reports

What Good Looks Like

- ✓ Concise and decision-focused
- ✓ KRIs and trends against appetite
- ✓ Clear owners and due dates
- ✓ Exceptions highlighted up front
- ✓ Plain language, consistent template

What to Avoid

- ✗ Long data dumps with no conclusion
- ✗ No comparison to prior periods
- ✗ Actions without owners or dates
- ✗ Bad news buried in appendices
- ✗ Jargon and unexplained acronyms

Risk Dashboard: Residual Risk vs Appetite

Contribution arrears	Score 4.2 (Appetite 3)
Investment concentration	Score 3.8 (Appetite 3)
Cyber & data security	Score 3.5 (Appetite 3)
Benefit fraud	Score 2.8 (Appetite 3)
Regulatory change	Score 2.4 (Appetite 3)

Key Committee Question

3 of 6 risks sit above appetite. Ask management: **What is the remediation plan, who owns it, and by when?**

Illustrative data – replace with your scheme data.

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Tracking Management Actions

14

Open Audit Actions

Currently tracked across departments

10

Overdue > 90 Days

High priority findings slipping dates



Escalation Rule

Escalate any High finding missing its target date



Closure Standard

Close items only upon verified documentary evidence

Reading the Financial Statements



Framework (IAS 26)

Are accounting policies appropriate for retirement benefit plans?



Contributions & Benefits

Do contribution and benefit trends reconcile to active payroll data?



Investment Returns

Performance against benchmark; valuation of unlisted assets.



Related Parties

Are connected transactions fully disclosed and properly approved?



Going Concern

Subsequent events, funding status and contingent liabilities.



Audit Opinion

Review modified opinions, key audit matters and management letter.

Challenging Internal Audit Reports

Questions to Ask

- Is the scope risk-based and complete?
- Are audit ratings applied consistently?
- Was the true root cause addressed?
- Do actions have owners and dates?
- What was not audited, and why?

Independence Safeguards

- Direct access to committee chair
- Private sessions without management
- Committee approves charter & plan
- Input on head of internal audit's appraisal

Case Study 1: The Rubber-Stamp Committee

The Scenario

The Risk & Audit Committee of Mwanga Pension Scheme meets quarterly for 45 minutes. Papers arrive the night before, minutes are copied from the last meeting, internal audit reports to the Administrator, and 11 findings have been open for over 12 months.

Discussion Questions · 20 Min Group Work

1. What are the core effectiveness gaps?
2. What risks does this create for trustees?
3. What 3 changes would you make first?
4. How would you measure performance improvement?

Case Study 2: The Late Audit

The Scenario

Audited accounts are three months late. The external auditor flagged unreconciled investment balances. Management says it is a system issue. The chair was told verbally and nothing was minuted. The RBA has now written to the trustees.

Discussion Questions · 20 Min Group Work

1. What did the committee fail to do?
2. What should the committee do immediately?
3. What should the report to the Board say?
4. How do you prevent recurrence?

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Running an Effective Meeting



Plan Agenda

Chair and secretary agree priorities.



Pre-Reads

Circulated 7 days ahead in template.



Focused Debate

Time on decisions, not updates.



Private Session

Auditors meet members without management.



Minute Actions

Owners and dates recorded & tracked.

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Red Flags of an Ineffective Committee

Late or Thin Papers

No time to prepare or challenge effectively.

Management Dominates

Presenters outnumber committee members.

Stale Actions

Audit findings open for a year or more.

No Private Sessions

Auditors never meet members alone.

Copy-Paste Minutes

No record of genuine challenge or decisions.

Charter Out of Date

Mandate not reviewed in over 12 months.

Knowledge Check: Q1 of 5

What is the primary purpose of the Risk & Audit Committee?

A Run daily scheme operations

B Select fund managers

C Approve member benefit payments

D Provide independent oversight of reporting, risk, controls and audit

Knowledge Check: Q2 of 5

Where should the head of internal audit report functionally?

A To the scheme Administrator

B To the committee chair

C To the Finance Manager

D To the Sponsor

Knowledge Check: Q3 of 5

A key risk is above appetite for two quarters. The committee should:

A Request an action plan with owner and due date

B Note it and move on

C Raise the risk appetite

D Wait for the next external audit

Knowledge Check: Q4 of 5

Which practice most improves the quality of committee discussion?

A Longer meeting papers

B Tabling papers at the meeting

C Pre-read 7 days ahead in a standard template

D Fewer meetings per year

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Knowledge Check: Q5 of 5

A High-rated audit action is overdue. The committee should:

A Accept a revised date silently

B Remove it from the tracker

C Wait for the external auditor to check

D Require explanation, a firm date and escalate to the Board

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Knowledge Check: Answer Key

Q	Answer	Rationale
1	D	It is an oversight and challenge body that gives the Board assurance.
2	B	Functional reporting to the committee chair protects independence.
3	A	Risk above appetite needs a time-bound plan and an accountable owner.
4	C	Timely, standardised papers allow preparation and challenge.
5	D	Overdue High items need accountability and escalation, not drift.

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Your 30-60-90 Day Action Plan

FIRST 30 DAYS

Assess & Review

Run the self-assessment and review the committee charter.

NEXT 30 DAYS (60)

Standardise Reports

Adopt a standard report template and risk dashboard.

FINAL 30 DAYS (90)

Embed Governance

Introduce action tracking, private sessions and annual reporting.

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"It takes 20 years to build a reputation and five minutes to ruin it. What would your committee report say if it had to protect your scheme's reputation?"

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Get in Touch

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