

ROYAL YACHTING ASSOCIATION NORTHERN IRELAND RISK MANAGEMENT POLICY

Objective

To set out the Royal Yachting Association Northern Ireland's (hereinafter RYANI) approach to risk management and control in order to protect both itself and its stakeholders from unforeseen or unacceptable exposure to risks.

Purpose of this document

1. This risk management policy (the policy) forms part of the RYANI's governance and internal control arrangements.
2. The policy: explains the underlying approach to risk management; documents the roles and responsibilities of the NI Council (hereinafter the Council), the Executive Committee (hereinafter the Executive), and RYANI staff; outlines key aspects of the risk management process; and identifies the main reporting procedures.

Responsibilities for and Approach to Risk Management

3. The following key principles outline the responsibilities for and approach to the RYANI's systems of risk management and internal control:
 - 3.1 Council is responsible for *"creating and implementing the policies and managing the resources of the association"* (Article 4.7).
Council is responsible for: setting the tone and influencing the culture of risk management; establishing risk appetite; approving the risk management policy and strategy; setting the standards for the Executive and staff with respect to conduct and probity; and overseeing the effectiveness of systems and procedures within the RYANI.
 - 3.2 The Executive is authorised by and accountable to the Council for developing and effectively implementing the risk management policy and strategy and is effectively the RYANI's Risk Management Committee.
 - 3.3 Staff, including occasional staff, employed by RYANI are accountable to the Executive for identifying, managing and reporting on identified and emerging risks within their respective areas of responsibility.
 - 3.4 An open and receptive approach to solving risk problems is adopted by the Council and the Executive
 - 3.5 The RYANI takes prudent and informed account of the financial and non-financial implications of risks.

Risk management as part of the system of internal control

4. The system of internal control incorporates risk management. The system encompasses a number of elements that together facilitate an effective and efficient operation, enabling RYANI to respond to a variety of operational, financial, business and reputational risks. These elements include:
 - 4.1 *Compliance, Policies and procedures.*

Underpinning significant risk management are policies that set out the internal control process. The development of policies draws, where appropriate and available, on legislative imperative, guidance from the national RYA organisation and other appropriate organisations. The policies are approved by the Council and implemented and communicated by the Executive. Written procedures support the policies where appropriate.
 - 4.2 *Reporting.*

Comprehensive and regular reporting to and by the Executive is designed to monitor key risks and the Executive and the Council take action as appropriate.
 - 4.3 *Planning and budgeting.*

The strategic and annual work planning and budgeting processes are used to set objectives, agree action plans, and allocate resources. Progress towards meeting plan objectives is monitored on an on-going regular basis.
 - 4.4 *Risk Register*

The register is compiled by the Executive and informed by *inter alia* legislative requirements; initiatives and developments in sailing globally, nationally and locally; national RYA policy and staff reporting. It helps to facilitate the identification, assessment and ongoing monitoring of risks significant to the RYANI. The document is formally appraised at six monthly intervals but emerging risks are added as required, and improvement actions and risk indicators are monitored regularly.
 - 4.6 *Audit*

Externally provided, independent financial audit is an important element of the internal control process. Financial audit is responsible for reviewing and assuring financial probity and the effectiveness of the financial control system.