

The Amulet Centre Limited

Matters Reserved for the Board

In general, the board of directors manages the senior staff who delegate to line managers and other staff. Members are involved in governance at general meetings and AGMs but do not get involved in operational matters on a day to day level.

The following matters are reserved for the board:

1. Membership Issues

- i. Agreement of all aspects of membership policy.
- ii. Encourage the growth of membership, its involvement in the affairs and participate in the governance of the co-operative in recognition that co-operatives are membership based.
- iii. Reporting to members – i.e. frequency, location and content of members' meetings and through the annual report.
- iv. Profit distribution and determination for members' approval.
- v. Approval of high level plans for the annual general meeting and other general meetings, including any draft agendas, proposed rule changes and any resolutions and corresponding documentation to be put forward to members at a general meeting.

2. Strategy and management

- i. All matters concerning the determination and operation of the co-operative's governing document, taking advice, where appropriate, from the secretary.
- ii. Responsibility for ensuring that the co-operative's affairs are conducted in accordance with its governing document, the best interests of the co-operative and its members, and in accordance with Co-operative Values and Principles.
- iii. Approval and review of the co-operative's objectives, strategies and policies with a view to securing its long term future, including review of performance against those objectives and strategies.
- iv. Approval of the annual operating and capital expenditure budgets and any material changes to them.
- v. Oversight of the co-operative's operations ensuring:
 - a. Competent and prudent management.
 - b. Sound planning.
 - c. Maintenance of sound risk management and internal control systems.
 - d. Compliance with statutory and regulatory obligations.
 - e. Review of performance in the light of the co-operative's strategic aims, business plans and budgets and ensuring that any necessary corrective action is taken.
 - f. Approval of the extension of the co-operative's activities into new business or geographic areas.
 - g. Approval of any decision to cease to operate all or any material part of the co-operative's business.

3. Financial reporting and controls

- i. Review of systems for ensuring compliance with all legal requirements including review and approval of the annual report and financial statements, letter of representation attesting to the accuracy of the financial statements supplied by the co-operative to the auditor and all accounting policies.
- ii. Review of systems of audit, including receiving the auditor's report on the accounts and ensuring maintenance of a sound system of internal control and risk management including receiving reports on and reviewing the effectiveness of the co-operative's risk and control processes to support its objectives and strategies.
- iii. Approval of capital expenditure and disposals in excess of [£X] for an individual item.
- iv. Approval of any changes in accounting policies or practices.
- v. Approval of any policy in relation to dividends.
- vi. Declaration of dividends.

4. Internal Controls

- i. Ensuring maintenance of a sound system of internal control and risk management including:
 - a. Deciding the types of risk the co-operative is prepared to take.
 - b. Monitoring the current risks the co-operative is facing and the risk register.
 - c. Receiving reports on, and reviewing the effectiveness of, the co-operative's risk and control processes to support its strategy and objectives.
 - d. Approving procedures for the detection of fraud and the prevention of bribery.
 - e. Undertaking an annual assessment of these processes.
 - f. Approving an appropriate statement for inclusion in the annual report.

5. Contracts

- ii. Approval of capital expenditure – a clear statement of delegated authority is essential. It should be clear which levels of capital spend require Board approval.
- iii. Approval of all business acquisitions and disposals.
- iv. Approval of all property acquisitions and disposals.
- v. Approval of all land and building leasing transactions.
- vi. Approval of all funding arrangements proposed for the co-operative. In general, directors should seek independent external advice before considering proposals for property sale and leaseback transactions.

6. Constitution of the Board and Senior Staff Appointments

- i. Ensuring adequate succession planning for senior staff.
- ii. Selection of the chair and vice-chair(s) of the Board.
- iii. Appointment of the chief executive, including terms and delegated authority, his/her performance appraisal and his/her removal from office including compensation terms for loss of office.
- iv. Approval of the management structure.
- v. Appointment or removal of the secretary.
- vi. Appointment, reappointment or removal of the external auditor to be put to members for approval, following the recommendation of the audit committee.
- vii. Approval and review of the co-operative's HR policies.
- viii. Approval of any amendments to the recognised Trade Union's terms and conditions.

7. Directors' Fees and Remuneration

- i. Determining the remuneration of the chief executive, secretary and other senior staff.
- ii. Determining the remuneration of any professional external directors subject to the co-operative's governing document and member approval as appropriate.

8. Delegation of Authority

- i. The division of responsibilities between the Board and senior staff, which should be in writing.
- ii. Approval of the terms of reference of Board committees.
- iii. Receiving reports from Board committees on their activities.

9. Corporate Governance Matters

- i. Undertaking a formal and rigorous review [annually] of its own performance, that of its committees and individual directors and the division of responsibilities.
- ii. Determining the independence of directors in light of their character, judgment and relationships.
- iii. Considering the balance of interests between members, employees, customers, suppliers and the community.
- iv. Review of the co-operative's overall corporate governance arrangements.
Receiving reports of the views of the co-operative's members to ensure that they are communicated to the Board as a whole.

10. Policies

- i. Approval of policies, including:
 - a. Code of Conduct for Directors.
 - b. Bribery prevention policy.
 - c. Whistleblowing policy.
 - d. Equality & Diversity policy.
 - e. Environment and Sustainability policy.
 - f. Health and Safety policy.
 - g. Tendering policy.
 - h. Human Resources policy, including any training structures in place.