

## **TERMS OF REFERENCE**

### **Finance and Audit Committee**

#### **1. Introduction**

The Finance and Audit Committee (the Committee) is a sub-committee of the British Canoeing (BC) Board.

The Committee has been established to support the Board in its responsibilities for issues of Finance, Risk, Insurance and Audit.

The Committee shall operate within the powers delegated to it by the Board and in line with the responsibilities contained within section 3 of these Terms of Reference.

This Committee will have some overlapping responsibilities with the Governance & Risk Committee and the HR and Nominations Committee of the Board, particularly with regards to Risk Management and Budgets for staffing. For the avoidance of doubt, where it is unclear where matters should be referred, they ought to be referred in the first instance to the Governance & Risk Committee.

#### **2. Membership**

The Finance and Audit Committee shall comprise no less than two non-executive directors who are appointed each year and one other member who may be either;

- a) a non-executive director appointed by the Board; or
- b) an independent person with relevant financial experience who is co-opted by the Finance and Audit Committee for such term as is required.

The Committee will be chaired by a nominated Non-Executive Board member who must have relevant and recent experience to perform this role. In the absence of the Chair, the Committee may nominate another Non-Executive Board Member to deputise in his/her absence.

The Committee may co-opt additional members for a period not exceeding a year to provide specialist skills, knowledge and experience and may procure specialist ad-hoc advice at the expense of the organisation, subject to budgets being agreed in advance by the Board.

The Committee meetings will normally be attended by the Finance Manager, who shall provide the secretariat function.

The Committee may ask any other member of BC staff to attend a meeting to assist with its work.

### **3. Responsibilities.**

The Committee shall have delegated powers from the Board to carry out the following responsibilities:

- I. Review with the CEO the budgets within the 4 Year Strategy and Annual Plan prior to their submission to the Board;
- II. Monitor and receive assurance that the management or mitigation of financial risks is being appropriately addressed;
- III. Monitor and receive assurance that the legally required standards of financial reporting and disclosure (including taxation) are being fully and fairly observed;
- IV. Review all financial documents including annual accounts, to be placed before the Member or filed with regulatory bodies and make recommendations to the Board about their adoption and publication;
- V. Monitor and review the external auditor's independence, objectivity and the effectiveness of the audit process. Recommend to the Board the appointment or re-appointment of the external auditor on an annual basis and approve the remuneration and terms of engagement;
- VI. Monitor and review the effectiveness of the financial management information technology systems and processes and receive assurance that they are appropriately designed and are being effectively utilised and that all data is fully protected;
- VII. Consider the appointment of auditors, the scope and planning of the audit, the audit fee and any questions of tendering for new auditors, resignation or dismissal of existing auditors;
- VIII. Review the half year and annual financial statements, budget and cash flow forecasts and ensure the Board receives accurate, complete and timely financial information;
- IX. Review the Company's compliance with financial grant conditions from UK Sport and Sport England and any other funding organisations;
- X. Review and monitor Reserves policy;
- XI. Review the systems in place to enable those who work for or are otherwise engaged by British Canoeing to raise, in confidence, any concerns about possible improprieties in financial reporting or other financial matters and arrange for such matters to be appropriately investigated;
- XII. Deal with any other matters referred to it by the Board.

### **4. Reporting**

Minutes of each Committee Meeting will be presented to the subsequent Board meeting and, where necessary, the Chair of the Committee will provide a report to the Board on any substantive matters of importance and any material issues or concerns.

The Committee shall report its decisions to the Board and make whatever recommendations it deems appropriate on any area within its remit where action or improvement is needed.

## **5. Meetings**

The Committee will meet at least three times a year. The Chair of the Committee and or the Chief Executive may convene additional meetings as they deem necessary.

The meetings may be held in person or by teleconference or video conference and individual members may join a physical meeting remotely via teleconference or video conference and be regarded as present at the meeting.

Notices of meetings shall contain information relating to venue, time, date and agenda. Papers to meetings shall be circulated at least one week before the date of the meeting.

Minutes of the meeting will usually be circulated to the Committee within 14 days of the meeting.

## **6. Quorum**

A minimum of three members of the Committee must be present for the meeting to be deemed quorate.

## **7. Resolutions and voting**

Decisions of the Committee shall be taken by resolution and recorded in the minutes. Where a consensus cannot be agreed, the Chair may request a vote on a show of hands, in which case each Committee Member shall have one vote.

## **8. Terms of reference and committee effectiveness**

The Terms of Reference for the Committee and Committee effectiveness shall be reviewed at least every two years by the Board and this will include a review of membership of the Committee.

**End**

**February 2017**