

FINANCE AND AUDIT COMMITTEE

Terms of Reference

AIM

The Finance and Audit Committee is established to take delegated responsibility on behalf of the Sport and Recreation Alliance Board for overseeing all financial and audit aspects of the Sport and Recreation Alliance and the Sport and Recreation Ventures Ltd so as to ensure short and long term viability and integrity and report back to the Alliance Board accordingly.

ACTIVITIES

1. Review of quarterly Group management accounts and agree appropriate commentary on the salient features of the accounts. The commentary will be addressed to the Sport and Recreation Alliance Board of Directors.
2. Review of annual statutory accounts and preparation of commentary on the salient features of the accounts. The commentary will be addressed to the respective Boards of Directors as above.
3. Review of budgets and financial information to be published and the making of recommendations prior to approval by the respective Boards of Directors. To the extent that such information relates to the Group as a whole, recommendations shall be submitted to the Sport and Recreation Alliance Board of Directors for approval.
4. Regular review of risk register.
5. Regular review of banking arrangements and the making of recommendations in this respect to the respective Boards of Directors.
6. Regular review of insurance arrangements in place and recommendations to the Board(s) on insurance cover policy.
7. Review of the financial distribution policy to be followed by the Directors of Sport and Recreation Ventures Ltd.
8. Review of the split of activities between the Sport and Recreation Alliance and Sport and Recreation Ventures Ltd to ensure that this is efficient and compliant with tax legislation etc.
9. Determine the frequency of tendering for external auditing services and oversee the process for selecting the external auditor and assessing their independence.
10. Recommend the audit fee to the Alliance Board and pre-approve any fees in respect of non-audit services provided by the external auditor.
11. Review the external auditors' audit report: the external auditor will be invited to attend a meeting of the Committee
12. Review of the internal controls of each entity, both financial and other, and present to the respective Boards of Directors of reports on any aspects of control which the Committee considers should be drawn to the attention of the Board(s).
13. Any other duties referred to it by the Alliance Board
14. The Board will review the Committee's effectiveness annually
15. The Board will review these Terms of Reference at least every four years.

DELEGATED AUTHORITY

1. The Board has delegated authority for three specific areas as set out at Annex A to these Terms of Reference.

MEMBERSHIP

1. The Director with responsibility for Finance
2. The Chair of the Commercial Committee

3. At least one further Non-Executive Director
4. At least one other member with financial experience

STRUCTURE

1. The Non-Executive Director with responsibility for Finance shall be Chair of the Committee.
2. At any meeting of the Committee at which the Chair is not present the other members shall agree a Chair for that meeting only
3. The quorum for the Committee shall be two
4. The Chief Executive and Director of Business Development & Corporate Services shall be in attendance at all meetings of the Committee except when the committee directs otherwise
5. The Chair of the Alliance Board shall be entitled to attend any meeting of the Committee
6. The Alliance Board has the power to add to or otherwise alter the composition of the Committee if it deems it appropriate
7. The Alliance Board has the power to terminate the appointment of a member of the Committee

WAY OF WORKING

1. The Committee shall meet as it deems necessary but at least three times a year. The use of teleconference facilities may be used for a meeting and shall be deemed to constitute a meeting for this purpose.
2. The agenda and supporting papers for the meetings will be circulated to Committee members at least seven days before each meeting
3. The Committee shall exercise powers delegated by the Boards of Directors to determine and direct the investments of the Sport and Recreation Alliance and Ventures Ltd.
4. The Committee has powers to obtain external professional advice and to invite third parties to attend and contribute to meetings of the Committee.
5. Minutes of the Committee will normally be taken by the Company Secretary
6. The Committee shall be responsible directly to the Sport and Recreation Alliance Board and minutes of its meetings shall be distributed to those Directors.

Annex A

Revised Jan 2017

Summary of delegations under Financial Policies and Procedures

Capex	<£5,000	Head of Department and Director of Business Dev & Corp Services
	<£20,000	CEO and Director of Business Dev & Corp Services
	>£20,000 < £50,000	As above plus Finance Committee
	>£50,000	As above plus Board
Write off bad debt	<£5,000	Director of Business Dev & Corp Services
	>£5,000 < £10,000	As above plus CEO
	>£10,000 <£25,000	As above plus Director with responsibility for Finance
	>£25,000	As above plus Board
Purchasing Commitment	<£500	Staff within their area of responsibility plus Line Manager approval
	>£500<£5,000	SMT approval required
	>£5,000 <£10,000	As above plus CEO authority required; At least 2 quotations
	>£10,000 <£25000	As above plus Finance Committee
	>£25,000	As above plus Board