

Devon Cricket Foundation Terms of Reference Finance and Audit Committee

Agreed at meeting of the full trust board meeting in January 2025

Date of next review: January 2027

Name of governor lead: Andrew Tapson

Purpose

The purpose of this document is to set out the roles and responsibilities of the Finance and Audit Committee and clarify the level of decision making that the trust board has agreed will be delegated to this committee.

Best Value

Where possible and reasonable the trust board will ensure the principles of best value are followed when making decisions.

The principles of Best Value are:

- Challenge - why, how and by whom an activity is carried out.
- Compare - performance against other foundations.
- Consult - involving stakeholders, especially pupils and parents.
- Compete - as a means of securing efficient and effective services.

Membership

The committee will comprise of three directors, appointed by the full board. They should be suitably experienced in the areas of finance and risk. The chair of the board should not be a member of this committee. The quorum for this committee is two. The committee shall meet at least four times per year.

Task:
To provide to Devon Cricket Foundation (DCF) Board a financial oversight of financial performance, achieving value for money and sustainability.
To oversee the Board's internal control and financial assurance procedures.
To oversee and maintain the Board's risk register
To provide oversight, check, and challenge of the DCF's governance and compliance procedures in accordance with the Charity Commission's guidance.
Financial reporting
To monitor the integrity of the financial statements of the DCF, including its annual reports and any formal statements of the DCF relating to its financial performance. Report to the Board on significant financial issues raised by the auditor including any judgements.
To scrutinise quarterly financial reports against budgeted income and expenditure including monitoring cash flow and the investment of surplus funds and make appropriate recommendations to the Board.
To scrutinise the DCF's annual budget before submitting it to the Board for approval.
To maintain the Board's risk policy and review the risk register and report the appropriate mitigating actions to the Board to address areas of concern.

Assurance of matters of Finance and Risk to DCF Board of Trustees. The committee shall review and challenge where necessary.
The application of accounting and DCF financial procedures and policies together with any changes to them.
Ensure that the DCF has adopted appropriate accounting policies including the judgements made by the external auditors on the DCF financial statements.
All material information presented with the financial statements, including the strategic report and the corporate governance statements relating to audit and risk management plus their mitigations in respect of significant risks.
The committee shall review any other statements requiring Board approval which contain financial information first.
Where the committee is not satisfied with any aspect of the proposed financial reporting by DCF, it shall report its views to the Board.
Internal Controls and Risk management
The committee shall keep under review DCF's internal control systems that identify, assess, manage, and monitor financial risks and other internal control and risks systems. The committee shall review and approve statements to be included in the annual report concerning internal control risk management and the sustainability statement.
Compliance, Whistleblowing and Fraud
The committee shall review the adequacy and security of the DCF's arrangements for its employees and contractors to raise concerns, in confidence, about wrongdoing in financial reporting or other matters.
The committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.
The committee shall review DCF procedures for detecting fraud.
The committee shall review DCF systems and controls for the prevention of bribery and receive reports on non-compliance.
External Audit
The committee shall consider and make recommendations to the Board, in relation to the appointment, reappointment and the removal of the DCF external audit firm.
The committee shall develop and oversee the selection process and procedure for the appointment of the audit firm.
The committee shall oversee the relationship with the external auditor and recommend to the Board the remuneration for audit and non-audit services including their terms of engagement together with any engagement letter issued at the start of each audit.
The committee shall assess the performance of the external auditor in respect of their audit and non-audit work annually.
The committee shall evaluate the risks to the quality and effectiveness of the financial reporting process in the light of the external auditor's communications with the committee.