



# Federation of Irish Sport Finance, Audit & Risk Committee

## Terms of Reference – Version Control

Version: V3.0

Date: 29/10/2021

## Version Control History:

<b>TOR FISFARG</b>	<b>Federation of Irish Sport Finance, Audit and Risk Committee (FARC)</b>	
<b>Version No. 1</b>	<b>Date June 30th</b>	<b>Status Draft</b>
<b>Version 2</b>	<b>Date October 29th</b>	<b>Status Draft</b>
<b>Version 3</b>	<b>November 15th</b>	<b>Status approved</b>

## Purpose

The Board has established a Finance, Audit & Risk Committee (FARC) as a Committee of the Board to support it in fulfilling its responsibilities in relation to financial stewardship, financial management, financial reporting, risk management and control systems appropriate to the size of the Federation.

This term of reference has been agreed based on the federation having a staff of less than 5 and expenditure of less than Euro500,000

## Membership

- The Finance, Audit & Risk Committee will consist of a minimum of four persons, appointed by the Board, one of whom shall be the Treasurer of the Federation. The Board will satisfy itself that at least one member of the subcommittee has relevant experience in Finance Management, that at least one member has relevant experience in audit and risk.
- The Board shall appoint the members of the Committee and the Chair of the Committee.
- The Chairperson of the Committee shall be responsible for arranging meetings.
- The Board may co-opt further external members to the Committee to fill skills and expertise gaps.
- Each Committee member will be appointed for a minimum term of 3 years and a maximum term of 6.



- Final determination on the number of members on the Committee is a decision for the Board.

## **Duties**

The principal duties of the Committee are to assist, advise and report to the Board on significant relevant Finance, Audit & Risk Committee matters.

### **Secretary to the Committee**

- The Committee will be provided with a secretariat function by the CEO
- The Secretary (CEO) will ensure that the Committee members receive information and papers in a timely manner to enable full and proper consideration to be given to issues.
- The Committee Secretary will lead in facilitating overall co-ordination of the work of the Committees and their reporting to the Board.

### **Meetings**

- The Committee will meet at least 2 times a year. The Chairperson of the Committee may convene additional meetings, as deemed necessary.
- The Chairperson of the Committee together with the Secretary will consider the agenda for the meeting. Members may also propose items for the agenda to the Chairperson.
- Notice of each meeting confirming the venue, format, time, and date together with the agenda, minutes of the previous meeting, actions log, and relevant papers should be circulated to Committee members and to the extent relevant and necessary to any other person required to attend, four working days in advance of the meeting.
- A minimum of 3 members of the Committee will be present for the meeting to be deemed quorate.

### **Duties and Responsibilities**

In overall terms, the role of the FARC is to provide advice to the Board across a range of its key financial stewardship, financial management, financial reporting, Audit, risk management and control systems.

Reporting as follows:

- **Financial Reporting, Financial Planning and Budgeting**

The Committee shall

- review the annual financial statements and the accounting policies to support FIS in the fulfilling of its obligations in relation to financial reporting.
- oversee the annual and multi-annual budgetary planning cycle



- provide advice to the Board and, as appropriate, recommend the budget for approval by the Board.
- Review and oversee, as required, the development of new policies relating to the financial governance and financial management and recommend them to Board for approval.

## **Audit and Risk**

### **Internal Controls and Risk Management Systems**

- The Committee shall review the adequacy and effectiveness of the internal control systems, including the control environment, control procedures and risk management systems as detailed by management.
- The Committee shall consider updates from management in relation to the organisations risk profile, risk appetite and/or risk tolerance.
- Determine the need for an internal audit function and if one is established assess its effectiveness.
- provide arrangements for staff to raise concerns in confidence about possible improprieties relating to financial reporting or other matters. This policy should be in line with the Protected Disclosures legislation.
- Approve the terms of engagement of the external auditor and assess the quality of their work and their independence.
- Ensure assets of the Federation are safeguarded.

### **Conflict of Interest**

The process for recording declarations of conflicts of interest of the Committee members will be the same used at Board level.

### **Reporting Responsibilities**

- The Committee will report and is ultimately accountable to the Board.
- At least 2 Board meetings, the Committee will provide an update to the Board (including updating the Board on any previous Committee meetings)
- The Board will be provided with all minutes of Committee meetings
- The Committee must advise the Board between Board meetings if a matter is urgent and/or serious.
- The committee will report back to Board on areas or issues requested by Board.

### **Review**

This Terms of Reference is approved by the Board and reviewed by the Board annually.

