

## FINANCE, STRATEGY AND RISK SUB-GROUP TERMS OF REFERENCE

**Reports to:** The Board of Volleyball England ("the **Organisation**")

**Occurrence:** At least four times a year

**Summary:** The Sub-Group has delegated powers from the Board to implement actions and initiatives in support of the Organisation's strategy and to oversee finance matters, ensure the adequacy of the Organisation's financial reporting and internal controls and maintain the risk register. The Sub-Group shall be the Audit Committee for the purposes of the Code for Sports Governance and the Articles.

### 1. **MEMBERSHIP**

- 1.1 The Sub-Group will be composed of a minimum of three and a maximum of five members, of who at least two shall Independent Directors of the Organisation and one of who shall be appointed by the Board as Chair.
- 1.2 Membership:
  - 1.2.1 Up to 3 Directors (at least two of whom must be Independent Directors);
  - 1.2.2 CEO/Deputy CEO;
  - 1.2.3 Finance Controller.
- 1.3 The Sub-Group may from time to time require staff, experts or other representatives to attend meetings as presenters, advisors or observers. The Chair will approve such invitations in advance.
- 1.4 Membership of the Sub-Group is voluntary but reasonable expenses will be paid.
- 1.5 Members are expected to attend all meetings. If a standing member fails to attend three consecutive Sub-Group meetings, the Board may revoke the appointment unless such absence is authorised by the Chair of the Board.
- 1.6 The Sub-Group may agree points by email where appropriate in between meetings. Any points agreed in between meetings will then be formally documented in the minutes of the subsequent meeting.
- 1.7 The Sub-Group will have attendees, apologies, approval of previous minutes, matters arising and conflicts of interest as standing agenda items for each meeting. An

attendee at each meeting will take minutes of the meeting. Such meetings will be approved at the subsequent meeting. Given the confidential nature of the subject matters FSR minutes are not routinely published but key decisions and actions are reported to the Board via regular Sub-Group updates so they can be captured and reported in the relevant Board minutes.

- 1.8 From time to time the Sub-Group may delegate any of its activities to a specific group for development and to report back to the Sub-Group and/or the Board as appropriate in order to facilitate progress.

## 2. **QUORUM**

The quorum necessary for the transaction of business shall be three. Other invitees do not have a vote.

## 3. **TERMS OF REFERENCE**

- 3.1 The Sub-Group shall

| No | Activity  | Report to Board           | Board Approval |
|----|---|---------------------------|----------------|
| 1. | Be responsible for reviewing the proposed annual budget presented to it by the SMT and once approved by the Sub-Group the Sub-Group shall make a recommendation to the Board on the approval of the annual budget |                           | Y              |
| 2. | At each Sub-Group meeting review the proposed annual budget and where there are any material changes to the annual budget required during the financial year submit these to the Board for its approval           |                           | Y              |
| 3. | Monitor progress against the budget and regularly review the cash flow, management accounts and balance sheet and report to the Board any concerns arising  | Y – at each Board meeting |                |
| 4. | Make a recommendation on the appointment, reappointment and removal of the external auditors for approval by the Board  |                           | Y              |
| 5. | To review the financial skills, that will be required to fulfil the business plan and to manage the organisation;   |                           | Y              |

|     |   |                 |   |
|-----|---|-----------------|---|
| 6.  | Oversee any changes to the Organisation's policies or governance structures and submit to the Board for approval  |                 | Y |
| 7.  | Be responsible for the oversight of the operation and revision of the Financial Procedures and Control Manual of the Organisation and report to the Board on any non-compliance   | Y – as required |   |
| 8.  | Review (where relevant with the external and internal auditors) at least annually matters relating to its remit and any issues arising from the audits  |                 |   |
| 9.  | Monitor progress against the Organisation's strategic plan, related Key Performance Indicators (KPIs) and annual implementation plan and report to the Board any concerns arising   | Y – as required |   |
| 10. | Review financial reporting and work with the Board and the Finance Controller to ensure that the Board receives relevant and appropriate financial reporting and report any concerns to the Board   | Y – as required |   |
| 11. | Review and challenge as appropriate any significant changes to accounting policies, the clarity and completeness of disclosures in the financial statements and the context in which statements are made  |                 |   |
| 12. | At each meeting review the status of all significant risks together with a review of risk events which have occurred since last review and shall update the risk register accordingly and report to the Board any new risk events added to the register; significant movement of risks or, otherwise, at least annually | Y – as required |   |
| 13. | Identify and evaluate potential new commercial and business development opportunities and revenue generating opportunities and services and report to the Board accordingly (seeking approval prior to any implementation)  | Y               | Y |
| 14. | Annually approve the audited accounts and submit to the Board for its approval  | Y               |   |

#### 4. **REPORTING AND APPROVALS**

4.1 The Sub-Group shall report to the Board in respect of:

4.1.1 the matters referred to in paragraph 4 above;

- 4.1.2 any anticipated or likely deviation from the expected income as set out in the approved annual budget;
  - 4.1.3 any complaints received and/or matters arising under the Grievance and Disciplinary Policy; and
  - 4.1.4 any other concerns and/or issues arising in its work.
- 4.2 The Sub-Group shall obtain prior approval from the Board in respect of:
- 4.2.1 the matters referred to in paragraph 4 above; and
  - 4.2.2 any expenditure which is not in line with the approved annual budget.