

 **Audit and Risk Committee terms of reference**

**Introduction**

1. The Audit and Risk Committee (the Committee) is a Committee of the Tees Valley Sport Main Board.
2. The Committee has been established to support the Board and specifically the Executive Director as accounting officer, in its responsibilities for ensuring the adequacy of risk management, internal control and governance arrangements are efficient and effective. The Committee will assist in formulating the assurance needs of the Board and reviewing how comprehensive and reliable those assurances are. The audit and risk Committee is a Committee of the Board.
3. The Committee is authorised by the Board to seek any information it requires from any employee of Tees Valley Sport in order to perform its duties.

**Membership**

1. The Committee should consist of no fewer than 3 members of whom at least 2 will be directors of the Tees Valley Sport Board.
2. The Committee will be chaired by a nominated Non-executive Board member. In the absence of the Chair, the Committee may nominate another Non-Executive Board Member to deputise in his/her absence.
3. The secretariat function will be provided by the Executive Director.

**Reporting**

1. Where reasonably possible, minutes of each Committee Meeting will be tabled to the subsequent Main Board meeting and, where necessary, the Chair of the Committee will provide a report to the Main Board on any substantive matters of importance and any material issues or concerns.
2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

**Duties and responsibilities**

The Committee will advise the Board on:

**Financial reporting**

1. The Committee shall review the Partnership’s proposed budget in advance of each financial year and report on its opinion to the Board prior to the budget being signed off. The Committee shall satisfy itself that the annual financial statements represent fairly the financial position of the Partnership.

**Internal control and risk management**

The Committee shall;

1. Review and critically challenge the adequacy and effectiveness of the Partnership’s financial and non-financial internal control and risk management activities in relation to the organisation’s risk appetite.
2. Satisfy itself that the system of internal control has operated effectively throughout the reporting period.
3. Review operational risks and consider risks arising from the impact of high risk activity.
4. Consider the Partnership’s strategic risk register at each meeting of the Committee and make recommendations to the Board regarding the Commission’s risk framework and risk management activity.

**External Audit**

1. As a hosted Partnership the external audit function is provided by Teesside University. The Committee will oversee the relationship of the Partnership with the external auditors. It will review the findings of the audit with the University’s Finance Officer. This shall include but not be limited to;
* a discussion of any major issues that arose during the audit
* any accounting or audit judgements
* levels of errors identified during the audit
* the effectiveness of the audit

**Frequency of Meetings**

1. Minimum of two meetings per year, one prior to the beginning of the financial year and one following the external audit in November.