



Finance and Risk Committee Terms of Reference

Membership

Appointed annually by the Board of Trustees.

Chair and Vice Chair of the Committee

Appointed annually from their number in the first meeting following the AGM of the Board of Trustees. In the absence of Chair or Vice Chair, the Committee shall choose an Acting Chair from their number for that meeting.

Quorum

The quorum for a meeting of the Committee, and for any vote on any matter at such a meeting, is one half (rounded up to a whole number) of the membership of the Committee and with a minimum of three Trustees.

Meetings

There will be up to four meetings a year, as detailed in the schedule published by the Clerk to the Trustees. Additional meetings can be called as necessary on the instructions of the Chair of the Committee.

Core Purpose

The Committee exists primarily to manage and report on all matters concerning the financial affairs of the Municipal Charities of Stratford upon Avon and St Joseph's Homestead.

The Committee is authorised by the Board of Trustees to obtain outside legal, or other independent professional advice, and to secure the attendance of any person at a Committee meeting, with relevant experience and expertise, if it considers this necessary.

The work of the Committee is broken down into the following main areas:

Reserves & Investments

- Monitoring and reviewing the Charity's arrangements in relation to investments, including its Investment Policy, and ensuring that these arrangements are aligned with the Charity's long-term strategic objectives.
- Overseeing the relationship with the Investment Advisors and Managers, including meeting at least annually, assessing their independence and objectivity and reviewing their appointment/reappointment, or removal, on a two-yearly cycle.

Financial Reporting & External Audit

- Responsibility for recommending the annual report and accounts to the Board of Trustees for approval.
- Responsibility for reviewing the management letter and management responses to the auditor's findings following the Audit Report and ensuring that all recommendations are addressed.
- Overseeing the selection process and appointment of Auditors every five years.

Financial Control

- Keeping under review the adequacy and effectiveness of the Charity's internal financial controls and financial risk management systems, including relevant procedures and policies, through the Internal Audit process.
- Exercising general oversight of the conduct of financial transactions and the maintenance of financial records, including any necessary review of the Charity's financial policies and procedures, delegations and mandates.
- Reviewing the internal financial controls and financial management systems for all major or high-risk projects.
- Investigating on behalf of the Board of Trustees any matter that may put the Charity at financial risk.

Budgeting & Financial Performance

- Monitoring and recommending the Charity's budget to the Board of Trustees for approval.
- Monitoring and reviewing periodic financial monitoring reports to ensure that revenue and expenditure do not exceed the approved budget.

Insurance & Procurement

- Considering any reports and recommendations relating to procurement activity.
- Considering any reports and recommendations relating to insurance, including structure and composition and to ensure that the Charity has the appropriate level of insurance cover.

Risk Management

- Undertaking a full annual review of the Charity's risk register.
- Reviewing any new risks, changes to risks or discharged risks quarterly.
- Reporting to the Board of Trustees any high, severe or catastrophic risks.

Operations

- Considering and making recommendations to the Board of Trustees on any proposed changes to fees and charges.
- Monitoring progress in achieving the Annual Maintenance Budget Plan.

Quality

- Reviewing and monitoring complaints, concerns and compliments in relation to financial matters.