

Finance and Audit Committee Terms of Reference

1. Name of Committee/Group	Finance and Audit Committee (Fin Comm)
2. Reporting Line	The finance and audit committee is a committee of the EMD UK board
3. Membership	Members (notionally six) will be appointed by the board. The chief executive, chief operating officer, finance manager and financial controller will be members. Guests will be invited to support discussion on specific items.
4. Chairing	An independent board member, or, in their absence, their nominee, will normally chair meetings.
5. Frequency of Meetings and Quorum	Meetings will be held as per the schedule of meetings and normally in advance of each board meeting. Other meetings will be convened as required. The quorum for a meeting is three and will include at least one non-executive member.
6. Decisions	All formal approvals will remain with the board unless specified otherwise in the company's policies.
7. Record of Meetings and Reporting Mechanism	Minutes will be taken by a designated minute secretary and circulated to all board members. The proceedings of the committee will be a standing agenda item at board meetings. Approvals will be recorded in the board minutes.
8. Main Purposes	<ol style="list-style-type: none"> 1. To support the chief executive and the operational management team in financial and audit matters. 2. Under delegated board authority, to approve actions of the chief executive outside their normal authority limits. 3. To make and/or review financial proposals requiring board approval. 4. To meet the success criteria.

<p>9. Success Criteria</p>	<ol style="list-style-type: none"> 1. The committee will ensure the production of management accounts quarterly, including ongoing financial forecasts for P&L, balance sheet and cashflow, projecting forward for two years. 2. The committee will comment on and explain to the board any variation between management accounts and budgets. 3. The committee will make recommendations or advise on all financial matters but including: <ul style="list-style-type: none"> • Recommending to the Board the approval of the annual audited financial statements • Stewardship reports to funders • Recommending to the Board the annual budget • Financial policies • Accounting policies • Defining authority limits within financial policies • Appointment and removal of auditors • Ensuring adequate financial control • Review spending in line with budgets and addresses or highlights as appropriate • Risk control • Banking arrangements • Capital expenditure limits • Ensuring the audit is conducted within budget, timeframes and complies with current legislation • Adequate insurance arrangements are in place • Approves and oversees the independent auditor's activities and approves the appropriate fee
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