

## ISUOG Finance & Risk Committee terms of reference

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**Secretariat liaison:** Senior Finance Manager in collaboration with Chief Executive Officer.

### Purpose

The ISUOG Finance & Risk Committee exists to oversee and support the management of ISUOG's finances, financial reporting, audit, risk and reserves management.

### Membership

The Finance & Risk Committee is chaired by the Honorary Treasurer.

The Committee consists of 5-7 members, including the Honorary Treasurer, President, President-Elect, Honorary Secretary, and at least one additional non-Trustee member from the membership at large. The Committee should also, where possible, co-opt an independent person with the appropriate accounting qualifications, expertise and experience to be able to provide advice and recommendations to Committee members when needed.

### Frequency of Meetings

The Committee should meet **at least** three times per year, using the following as a guide:

- Prior to the Board of Trustees Board meeting in March to discuss the draft year-end figures and any early audit issues arising.
- Prior to the Board of Trustees meeting in late May / early June to review the Annual Report and Accounts, liaise with the audit partner and agree to recommend approval to the Board of Trustees.
- In Q3 or Q4 as appropriate to review and discuss the following year's budget and agree to recommend approval to the Board of Trustees.

### Responsibilities

To ensure that ISUOG's management actions relating to finance, accounting and audit, including Trustee reports and any other reporting to Companies House and the Charity Commission, are based on fully informed decisions. To work with the Senior Finance Manager and CEO to review and evaluate financial matters relating to the Society on an ongoing basis and specifically as a committee to:

- Review the management accounts, budget and year end forecast and question management on them.
- Review and monitor the Society's risk appetite and ensure appropriate mitigation strategies are in place for key risks
- Review Risk Policy for the financial statements.
- Review the Society's reserves regularly, evaluate the need for and advise the Board on the investment of the charity's assets in line with the agreed reserves policy.
- Periodically review the appropriateness of the Society's accounting, investment, reserves policies and delegated powers. Recommend changes to Trustees.
- Oversee and review the preparation of the Society's trustees' annual report and financial statements, and recommend approval to the Board of Trustees
- Keep up to date with charity governance, finance and other regulatory requirements.
- Oversee the Society's financial control environment, to ensure ISUOG income and assets are appropriately managed in line with good practice.
- Assess and sign off the annual budgets and oversee financial management, via the periodic management accounts and ad hoc reports from management.

The Committee acts as Trustee liaison with the auditor to understand any management issues or problems and to consider in particular:

- the risks to which the Society is exposed
- the accounting and reserves policies
- the Trustee reports

The Committee must consider and take into account decisions reached by the Board of Trustees and its committees in assessing the issues to present a summary analysis of decisions required to the Trustees (who retains final responsibility for production of the statutory financial statements and their content).

### Terms of appointment

- The term of a Committee Chair (Treasurer) is two years, renewable once.
- Officers serve in line with their governance rotations.
- The term for a committee member (other than the member-at-large) is three years, renewable once.
- The term for the additional member from the membership at large is two years only. The term is not renewable.

- The procedure for the selection of new members who are not Officers will be by way of a formal application process and subsequent appointment by the Nominations Committee in consultation with the Treasurer.
- This Committee reports to the Executive Committee and the Board of Trustees at least annually.
- Members should be willing to commit to meet at least three times year. Meetings may be held in a virtual format (e.g. via Zoom) or in person if appropriate and cost-effective.
- These positions are not remunerated.

### **Person specification**

#### ***Experience***

- Experience of contributing and adding value to financial performance and management for an organisation **(Essential)**
- Experience of committee work, tact and diplomacy **(Essential)**
- Must be a current ISUOG member, unless joining as an independent advisor **(Desirable)**
- Leadership is an advantage **(Desirable)**

#### ***Knowledge***

- Knowledge of financial accounting and reporting procedures
- Strategic financial planning skills
- An understanding and acceptance of the legal duties, responsibilities and liabilities of trusteeship.
- An understanding or willingness to understand investments and UK Charities regulation framework
- An understanding of risk management