



FMB Finance Committee

Terms of Reference

1. Purpose

The purpose of the Finance Committee is to assist the FMB Board in supervising the overall direction of the FMB's financial affairs at a strategic level. It will provide a forum for more detailed consideration of the financial strategy and financial risk as well as acting as a sounding board for discussion with management.

2. Membership

The Committee will be chaired by a nominated Board representative and, in total, will comprise a maximum of five members which may include an independent representative(s).

The Chair has the option to have two co-opted members with non-voting rights for a maximum of ten years.

FMB members will act as voting members. The CEO and the Finance Director will also attend as non-voting members.

A member of the Finance Committee may not sit on the FMB Audit & Risk Committee.

The Committee will arrange up to four meeting dates each year. These meetings can be cancelled if no business is put forward for discussion. Other meetings may be arranged should the Chief Executive or the nominated Board representative consider it necessary. Other Board members and FMB staff members may be invited as required.

The Committee can take straightforward or informal decisions via email at the nominated Board representative's and Chief Executive's joint discretion.

The quorum for the Committee will be two members one of which is from the FMB Board, the Chief Executive, and the Finance Director.

The Chief Executive and the Finance Director will provide information to the Committee on key financial developments in an agreed format and in response to specific requests for information.

3. Term of Office

The term of office is a maximum of ten years.

4. Meetings

- Meetings will be held both face-to-face and virtually. It is suggested that at least half the meetings are held virtually.
- Meetings are to be held in the UK at a location convenient for members.

5. Roles and Responsibilities

The Finance Committee will:

- Maintain an overview of the FMB's financial position, including reviewing financial performance, budgets and forecasts, with a view to identifying actual and potential financial opportunities and threats.
- Provide advice, guidance and support to the Senior Management Team on the management of the FMB budget.
- Review and recommend the FMB's financing strategy (i.e. funding) and financial policies (including reserves and investment policies).
- Act as a sounding board and source of advice to the Chief Executive and Finance Director on areas of major change, innovation and development and consider the business cases and financial implications of major new proposals.
- Consider business cases and ensure that they are appropriately presented and costed, prior to any further decision making.
- Provide advice about staff remuneration.
- Review guidelines for members' and staff expenses.

6. Exclusions from Scope

The following functions are performed by the Audit & Risk Committee and are therefore excluded from the scope of the Finance Committee. The Audit & Risk Committee will continue to:

- Assist the FMB Board in reviewing internal control and risk management systems.
- Recommend the appointment of an external auditor and monitor the scope, effectiveness and outcomes of the audit.
- Monitor the integrity of financial statements and any significant financial reporting judgements and ensure that the Annual Report and Financial Statements of the Association are presented to the FMB Board.

7. Reporting to the Board

Agendas and minutes of meetings will be circulated to the FMB Board. The Chair of the Finance Committee, or another Board member, will report verbally to the FMB Board on key issues and recommendations.