CYMDEITHAS DDYSGEDIG CYMRU
THE LEARNED SOCIETY OF WALES

Finance Committee
Constitution and Terms of Reference
(approved by Council, March 2023)

1. In accordance with the provisions of Royal Charter and its bye-laws (Bye-law 5 (5.4)), the Council has established a Finance Committee which shall consist of the persons following, namely:

   i. Members *ex officio*: The Treasurer (who shall be Chair)
   ii. Four members appointed by the Council from among the Fellowship, one of whom shall be appointed as Vice-Chair.
   iii. Such other person or persons not exceeding two in number as the Committee may think fit to co-opt as members.

1. In the absence of the Treasurer, the Vice-Chair shall chair the meeting.

2. The Quorum for meetings of the Committee shall be 3.

3. Appointed and co-opted members shall serve for a term of three years, or such shorter period as the appointing body may decide. They shall be eligible to serve for not more than two consecutive terms, following which a further period of three years shall elapse before any such member shall be eligible for re-appointment.

4. The Committee, when appointing members to its Committee shall be mindful of the Society's commitment to the Equality Act 2010 and the Society's Equality, Diversity and Inclusion Plan.

5. Subject to the provisions of the Royal Charter and its bye-laws, the Finance Committee shall consider any matter relating to the finances, accounts, investments, property and business of the Society and shall submit reports and recommendations thereon to the Council.

6. In the discharge of its duties, and in addition to any other functions relevant to the financial duties of the Society, Council shall exercise further to paragraph (4) above, the Committee shall advise the Society's Council regarding:
   i. the overall financial policy of the Society;
   ii. the Society's strategic plan, with particular reference to resource implications;
   iii. the financial management of the Society and its operations;
   iv. activities relating to the fund-raising and the securing of adequate resources to enable those operations to be taken forward in accordance with the strategic plan;
   v. the annual Accounts of the Society;
   vi. the annual financial estimates and projections for the Society's operations;
   vii. short term budgets and the extent to which they accord with agreed longer term plans and the extent to which they are followed;

viii. cash flow projections and investment of short term monies, in line with the Society's treasury management policies; the management of the Society's funds, including the allocation of resources between academic and non-academic areas of the Society's activities;
ix. the Society's capital programme;
x. the necessary arrangements in connection with the Society's bank accounts, insurances, borrowing, investments, professional advisers and other such matters;
xi. the management of the Society's estate, including buildings, furnishings and equipment and the financing thereof;
xii. the Financial Regulations of the Society;
xiii. the Society's financial control systems, procedures and control environment;
xiv. the appropriate sections of the Risk Management Register;
xv. agreeing a pay policy: this would relate to pay increments and to ensuring parity between different internal roles or teams.

8. The Committee shall ensure that the Council has adequate information to enable it to discharge its financial responsibilities.

9. The Committee shall exercise such delegated powers as may be granted to it by the Council, for such period and on such conditions as the Council may determine, in accordance with bye-law 5.4.

Forward Business Plan (Approved by Finance Committee, October 2024)

a) Standard Items for each meeting:

- Chair's Introduction
- Minutes of the Last Meeting
- Action Tracker
- Periodic Finance Report
- Meeting Dates
- Any Other Business
- Update from accountants (Improvement in Management accounts)*
- Outstanding Fellowship Fees update*

* until the committee is satisfied that the matter is fully resolved.

b) Items determined by the forward plan of the Governance Committees or other items:

- Review of Fundraising Strategy.
- Review of Subscription Rates.
- Review of the Reserves Policy. **Every two years.**
- Review of the Investment Policy, level of investment and Investment Policy Statement. **Every two years.**
- Review of LSW Financial year and Draft Budget.
- Review of LSW Final Accounts with Accountant. Prepare for submission to independent examiner and Council.
- Review the Committee's Terms of Reference and schedule of delegated powers to report to Governance Oversight Committee.

- End of the year: report on budget against actual spend.
- Independent examination report and presentation.
- Draft Budget.

February	• Quarter 1 & Quarter 2 report • Review of LSW Final Accounts with Accountant. • Independent examination report and presentation. Prepare for submission to independent examiner and Council. • Review the Committee's governing documents (Terms of Reference, schedule of delegated powers, business plan). • Outstanding Fellowship Fees update. • + any ad hoc items
June	• Quarter 3 report • Review of LSW Financial year and Draft Budget. • Outstanding Fellowship Fees update. • Review of Fundraising Strategy. • + any ad hoc items
October	• Quarter 4 report • End of year: report on budget against actual spend. • August and September monthly accounts. • Review of Subscription Rates. • Review of Reserves Policy. • Review of the Investment Policy, level of investment and Investment Policy Statement. • Outstanding Fellowship Fees update. • + any ad hoc items