



**Herefordshire County BID Limited**  
**Terms of Reference for Finance Sub-Committee**  
**May 2023**

**1. Role of Sub-Committee**

The sub-committee will advise Herefordshire County BID on all matters relating to Herefordshire County BID finances. It will make recommendations to the Board for their consideration on strategy and policy in relation to financial items. The main objective of the sub-committee is to assist the Board in meeting its responsibilities in ensuring accurate financial reporting and good management of its finances, this includes making responsible decisions to optimise the revenue. In this connection, the tasks of the committee will include, but not be limited to, the following matters:

- To propose an annual budget for approval by the Board
- To monitor the financial performance of the company against the budget on a quarterly basis by way of management accounts
- To review the statutory accounts and recommend their approval to the Board. This should include:
  - Accounting policies of the company, their appropriateness and impact of proposed changes
  - The extent of compliance with appropriate legislation, accounting standards
  - Any other documents containing audited financial statements e.g. directors reports
- To agree a five-year financial model at the start of each BID Term
- To review the financial components of the five-year Business Plan and report to the Board on progress
- To review and discuss, at each meeting, the key financial risks, which affect the company.
- To review the reserves annually and make recommendations to the Board.
- To review the debtors and bad debt provision
- To review the rolling 12-month cash flow forecast
- To review the Balance Sheet quarterly
- To ensure there is appropriate segregation of duties when undertaking financial tasks.

**2. Membership**

- a. Minimum 2 Board directors (1 will chair the sub-committee)
- b. CEO

**3. Quorum**

- a. The quorum at meetings is 2 members 1 must be a Board Director

**4. Dates for Meetings**

- a. The meeting dates for each year are agreed at the start of the financial year.

**5. Reporting**

- a. The sub-committee chair shall report to the main Board on the activities of the sub-committee at the following Board Meeting
- b. Feedback of the finance sub-committee shall be a standing agenda item on the main Board.

**6. Review of the Terms Of Reference**

- a. Terms of Reference needs to be reviewed at least annually.

Date	Written / updated	Approved by board
May 2023	First draft	May 2023