

Our values



Bold



Human



Credible



Together

# Finance Committee Terms of Reference

March 2025



CANCER  
RESEARCH  
UK

---

Together we are  
beating cancer

# 1. Constitution, Purpose and Conduct

- 1.1 The Finance Committee (**Committee**) is constituted as a committee of the Council of Trustees (**Council**) of Cancer Research UK (the **Charity**). These terms of reference set out the authority and responsibilities of the Committee, as delegated to it by Council. The Committee performs its role by providing independent oversight to Council.
- 1.2 The Committee's purpose is to exercise supervisory oversight, on behalf of Council, over all aspects of the Charity's financial policies and operations and to maintain the short and long-term financial viability of the Charity and the stewardship of its assets.
- 1.3 The Committee shall have responsibility for direct oversight of management of risks that relate to those areas stated to be within its duties in these terms of reference. This recognises that the management of risks is shared between the committees of Council, in accordance with the authority delegated by Council (with risks relating to building and sustaining operations and change management overseen by the Audit and Risk Committee, risks relating to funding and managing research and innovation and influencing overseen by the Research Committee, risks relating to fundraising and income generation overseen by the Fundraising and Marketing Committee, risks relating to people by the People and Remuneration Committee and risks relating to financial management and stewardship by the Finance Committee).
- 1.4 The Committee shall in the course of its proceedings conduct itself in accordance with the Charity's Values, Code of Conduct and Code of Ethics.

# 2. Membership and Attendance

- 2.1 All Trustee members of the Committee shall be appointed by Council, on the recommendation of the Nomination and Governance Committee in consultation with the Chair of the Committee. There should be no fewer than three members of the Committee who shall be Trustees. The Chair of the Committee shall be the Treasurer and shall be appointed as such by Council. The Chair of Council shall be an ex officio member of the Committee. Ideally, at least one Trustee member should have a scientific, scientific research or medical background.
- 2.2 The Committee may, if it considers it necessary or desirable, co-opt Non-Trustee Committee Members with particular expertise to the Committee. Non-Trustee Committee Members shall be appointed by Council, on the recommendation of the Nomination and Governance Committee in consultation with the Chair of the

Committee.

- 2.3 The Committee shall collectively have experience to enable the Committee to fulfil its duties. As the responsibility of the Committee evolves in response to financial reporting, regulatory and economic developments, the Committee Chair will re-evaluate, at least annually, the members' competencies and the overall balance of skills on the Committee in response to emerging needs and to ensure an appropriate mix of skills.
- 2.4 The Chair of the Audit and Risk Committee (who shall not be a member of the Committee) shall be invited to attend meetings. Any other Trustee may also attend a meeting of the Committee as an observer. The Committee Secretary should be informed who shall, in turn, inform the Chair of the Committee.
- 2.5 The Chief Executive (CEO), the Chief Operating Officer (COO) and Finance Director, shall normally attend the Committee meetings. Other non-members, including Executive Directors, Directors and managers may be invited to attend where business relevant to them is to be discussed. The Committee Chair will determine the need for closed sessions and attendance at such sessions.
- 2.6 At least twice a year, the Committee will meet with the investment managers or the investment advisers.

### **3. Length of Service**

- 3.1 Members (Trustees and Non-Trustee Committee Members) shall serve on the Committee for a maximum of 2 terms (subject to the limited exception below). In the case of Trustee members, this shall consist of a maximum initial term (of approximately three years) commensurate with their initial term as a Trustee, after which they may be reappointed by Council for a further term of three years (commensurate with their second term as a Trustee). In the case of Non-Trustee Committee Members, this shall consist of a maximum initial term of three years, after which they may be reappointed by Council for a further term of no more than three years. If a Trustee is, by exception, reappointed for a third term as a Trustee (in accordance with the Charity's constitution), such Trustee may be appointed for a third term of no more than three years (commensurate with their third term as a Trustee), with the approval of Council. Continuance of Committee members (Trustees and Non-Trustee Committee Members) shall be reviewed, at the very least, prior to their reappointment for a further term.
- 3.2 Where possible, changes in membership should be phased to provide continuity.
- 3.3 Trustee members shall retire automatically from the Committee on ceasing to be a Trustee.

## **4. Secretariat**

- 4.1 The Company Secretary or their nominee shall act as the Committee Secretary. The Secretariat function shall ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

## **5. Quorum and Voting**

- 5.1 The quorum necessary for the transaction of business is two Trustee Committee members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 5.2 Each Trustee shall have one vote. No resolution shall be passed unless the majority of Trustee Committee members present and in attendance vote in favour of the resolution. In the event of an equal vote, the Committee Chair (or in their absence, the chair of the Committee meeting in question) shall have the casting vote. Non-Trustee Committee Members shall not have voting rights.

## **6. Meetings**

- 6.1 The Committee shall meet at least four times a year at appropriate times in the financial reporting cycle and at such other times as the Committee Chair shall require. Meetings of the Committee shall be called by the Committee Secretary at the request of the Committee Chair or any of the Committee's other Trustee members or at the request of the CEO, the COO and/or the Finance Director.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and supporting papers shall be forwarded to each Committee member and to any other person required to attend, no later than five working days before the date of the meeting.
- 6.3 The Chair of the Committee shall chair meetings of the Committee. In the absence of the Committee Chair or their appointed deputy, the remaining Trustee members present shall elect one of themselves to chair the meeting.

## **7. Minutes of Meetings and reporting**

## procedures

- 7.1 The Secretary or their delegate shall minute the proceedings and resolutions of all Committee meetings including the names of those present and in attendance.
- 7.2 Minutes of Committee meetings shall be reviewed by the Committee Chair and circulated promptly to all Committee members, following which they will be included on the Council agenda for information. A report of each meeting of the Committee will be circulated to the next Council meeting.
- 7.3 The Committee Chair (or their designate, where necessary or appropriate) will report to Council following each Committee meeting.

## 8. Annual General Meeting

- 8.1 The Committee Chair shall attend the Annual General Meeting of the Charity to respond to any questions on matters within the scope of the Committee's responsibilities.

## 9. Duties

The main duties of the Committee are:

### ***Financial management, planning and reporting***

- 9.1 Ensuring that the Charity's financial obligations are met and advising Council on the financial implications and risks arising from Council's decisions;
- 9.2 Subject to the paragraph below, considering and recommending to Council a draft annual operating budget, draft multi-year financial forecasts and any financial strategy and financial policies aimed at achieving the Charity's objectives, ensuring that they support the Charity's objectives and strategy;
- 9.3 Subject to the paragraph below, reviewing the Charity's financial performance against budget, forecasts and cashflow projections (and their impact and effectiveness on delivering on the Charity's strategy) and monitoring the financial input into the business plans of the Charity, including the appropriate period for forward planning of the Charity's capital resources, commitments, income and expenditure;

(In carrying out the duties in paragraphs 9.2 and 9.3, the Committee will rely upon the Research Committee and Fundraising and Marketing Committee in respect of their detailed scrutiny of current delivery and future plans for research spending and fundraising.)

- 9.4 Reviewing the quality of management information available to Council and ensuring that management information is materially accurate and presented in such a way as to facilitate good governance, management and decision-making in relation to the Charity's strategy;
- 9.5 Determining the banking and investment arrangements of the Charity, overseeing the management of the Charity's banking and investments and ensuring that these are managed in a manner appropriate to the strategic objectives of the Charity;
- 9.6 Receiving regular reporting about the level of the Charity's reserves in relation to the target reserve range set out in the reserves policy and monitoring the level of reserves;
- 9.7 Reviewing matters pertaining to cash management and Treasury operations, taxation and VAT;
- 9.8 Approving any guarantee or third-party security granted by the Charity to another entity'
- 9.9 **Insurance:** Reviewing and approving the insurance arrangements in place in respect of the activities of the Charity including Trustees/Directors and Officers liability insurance and indemnification of directors;
- 9.10 **Pensions:** Reviewing and, where necessary, approving action in respect of the management of the Charity's pension schemes, including any changes to the rules of the pension schemes or changes in funding arrangements;
- 9.11 **Property.** Receiving, on at least an annual basis, a report on significant matters pertaining to property or facilities owned or leased by the Charity;
- 9.12 **Policies:** Reviewing and/or being consulted on for recommendation to Council (as relevant) the policies/requirements, and any changes to the policies/requirements, set out in the Appendix and to approve actions required to implement such policies/requirements;
- 9.13 Reviewing and recommending to Council, in line with agreed policy, an appropriate investment risk appetite, investment manager(s) (including approach to investment management) and custodians;

***Delegation of Expenditure Approval***

- 9.14 Approving previously unbudgeted expenditure up to a limit of £5m in aggregate of the total budgeted expenditure in any financial year;

- 9.15 Approving such actions as are required in order to ensure that the Charity and, if appropriate, any subsidiary, is able to meet its financial commitments as they fall due up to a limit of five percent in aggregate of the total budgeted expenditure in any financial year;
- 9.16 Scrutinising for recommendation to Council, transactions which have a material impact on the Charity, in line with the Expenditure Authority Policy, and are outside the remit of other Committees of Council;

***Principal Risks relating to Financial Management***

- 9.17 Monitoring principal risks that relate to financial management and stewardship and ensuring risks identified in the risk register relating to such areas are considered as part of the annual cycle of Committee business and as and when items are discussed;
- 9.18 Receiving and reviewing regular consolidated reporting from across the Charity on the areas of risk for which it has oversight responsibility under paragraph 9.17 and advise Council on the ongoing financial viability of the Charity and risks to the Charity's performance;
- 9.19 ***ESG and Sustainability:*** Overseeing the Charity's approach on ESG/Sustainability and progress on delivery against the overall strategy, in each case in so far as it relates to areas of activity within the remit of the Committee;

***Subsidiary agreement matters***

- 9.20 Approving the key terms of the parent-subsidiary agreement(s), and deeds of covenant in relation to gift aid, between the Charity and its subsidiaries, where applicable;

***Other***

- 9.21 Appointing key advisors in areas related to the work of the Committee.

## **10. Delegated Authority**

The Committee is authorised by Council to:

- 10.1 Investigate any activity within its terms of reference;
- 10.2 Seek any explanatory information that it deems necessary or reasonable to discharge its responsibilities, including unrestricted access to management, employees, contractors and volunteers of the Charity and relevant information it

considers necessary to discharge its duties. The Committee will also have unrestricted access to records, data and reports and the Charity's management and staff shall cooperate with requests of the Committee; and

- 10.3 Obtain independent professional or legal advice as necessary, within reasonable financial limitations and in accordance with the Charity's expenditure policy and processes.

## 11. Other

- 11.1 The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to Council for approval. In any year when Council is conducting an external effectiveness review, the requirement for the Committee to review its own performance shall not apply.



# Appendix

## OVERSIGHT OF POLICIES AND REQUIREMENTS<sup>1</sup>

<b>Policy/Requirement</b>	<b>Committee Action</b>	<b>Council Approval</b>
Investment Requirement	Consult	Yes
Treasury Requirement	Consult	Yes
Reserves Requirement	Consult	Yes
Expenditure Authority Requirement	Consult	Yes



Cancer Research UK is a registered charity England and Wales (1089464), Scotland (SC041666), the Isle of Man (1103) and Jersey (247).

---

<sup>1</sup> Under the Schedule of Reserved Matters, Council delegated authority to Council Committees to approve minor amendments and to Executive Board to approve minor administrative revisions to policies/requirements otherwise reserved to it. Substantive changes remain reserved to Council for approval.