

Community Pharmacy North East Central (CPNEC) Finance and Audit Subcommittee

Terms of Reference

The purpose of the Finance and Audit subcommittee shall be to: ensure effective control of CPNEC finances; consider annual budgets, accounts and processes; develop effective financial management information and monitor performance; consider any financial matters that may need a referral to CPNEC.

Membership

1.1 At least three members of the main committee shall be appointed by the committee to the Finance and Audit subcommittee. CPNEC Treasurer must be part of the membership.

1.2 In the event that a Finance and Audit subcommittee member ceases to be a member of CPNEC, the committee shall appoint a new Finance and Audit subcommittee member for the remaining term of office.

1.3 The members of the subcommittee shall appoint a Chair from amongst its members.

Accountability

2.1 The Finance subcommittee shall be accountable to the Governance sub-committee.

2.2 The Finance subcommittee shall meet twice a year but can further determine the frequency of its meetings to discharge its duties. The subcommittee may need to meet more frequently should a specific issue arise which needs further discussion and agreement.

2.3 The Finance and Audit subcommittee shall report its discussions and outcomes to the Governance sub-committee.

2.4 A Finance and Audit subcommittee member with a conflict of interest should step down temporarily, in which case the subcommittee shall co-opt an additional member from the main committee.

2.5 The subcommittee, may invite CPNEC Chief Officer or other officer or member to part or all of one or more of its meetings if their input is required to deal with a specific issue.

2.6 There is no quorum for the subcommittee, but the maximum attendance will be sought when arranging a meeting.

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3. Delegated Authority

The Finance and Audit subcommittee has been granted authority by CPNEC to make decisions in line with the responsibilities shown below.

4. Actions

The Finance and Audit subcommittee will:

4.1 Refer directly to the Governance Sub - committee any matter of governance relating to committee members' or officers' expenses claims.

4.2 Approve CPNEC budget for recommendation to the main committee, including any change to CPNEC levy or levy holiday. Consideration having been given to conducting a zero-based budget.

4.3 Ensure that annual accounts are prepared and presented to CPNEC and for final approval by contractors. The accounts will be prepared in accordance with CPNEC constitution. In preparing the format of the accounts, consideration will be given to the content of guidance issued by CPE.

4.4. Review CPNEC Insurance arrangements and ensure that CPNEC has appropriate insurance cover on an annual basis.

4.5 Review CPNEC expenses policy and adherence; ensure that appropriate systems are in place to approve expense claims.

4.6 Review commercial contracts entered into by CPNEC.

4.7 Keep under review, financial management systems and internal controls to ensure CPNEC can monitor CPNEC finances.

4.8 Oversee the work of CPNEC Treasurer ensuring the duties set out in the Treasurer's job description, such as that provided by PSNC, are attended to.

4.9 Manage financial aspects of CPNEC restructuring and mergers, and the approval and recovery of loans to a provider company.

4.10. Support the management of remuneration of CPNEC staff, officers and consultants.

4.11 Monitor adherence to CPNEC Finance Guide (such as that provided to CPNECs by PSNC).

4.12 Oversee the appointment of external qualified Accountant (and Auditor if applicable) and liaise with the external accountant and consider any recommendations they might make.

4.13 Be re-appointed every 2 years. Appointments should coincide with the election of the new Officers.

Review date: September 2025