



Terms of Reference

NSA Finance Scrutiny Committee

To replace the NSA Finance & General Purposes Committee from 1st January 2022

Purpose. The governance and management of NSA is the responsibility of the NSA Board of Trustees. The NSA Finance Scrutiny Committee provides an additional level of assistance, advice and analysis by scrutinising financial, budgetary, audit and staffing matters before they are presented to the Board.

Structure

- NSA Honorary Treasurer as committee chairman.
- A minimum of five and maximum of eight committee members, nominated through the NSA network and ratified by the Board for their interest and expertise in NSA, its areas of work, regions, events and ram sales, and/or financial governance of membership organisations, agricultural bodies or charities. No individual represents one particular region or interest, but the combined committee is intended to be representative of the full extent of NSA activity and the devolved nature of the UK, and include a proportion of current or recently retired Trustees. Therefore, the intention is always to have two individuals from England and one each from Wales, Scotland, Northern Ireland and the NSA ram sales, although each individual's role is wider than solely representing their region/activity. If the Board identifies a gap in representation of a particular NSA region or activity, it will take steps to encourage an appropriate nomination from the NSA network.
- NSA Chairman may attend meetings in ex officio capacity.
- NSA Chief Executive attends meetings, plus other staff where appropriate.
- Individuals may be invited to specific meeting(s) if they have a particular interest or expertise in a topic being discussed.

Appointments

- When the committee is first established, committee member names will be drawn from a hat to stagger retirement dates over the first three years. This will mean the first term for initial members may be less than three years.
- At an appropriate point each year (ideally the Annual Regional Members' Meeting), each NSA committee to consider the current membership of the NSA Finance Scrutiny Committee and nominate new members if it wishes to. Nominations can be made at any time by all NSA committees. The Board ratifies committee members based on nominations, considering

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NSA is funded by its membership of sheep farmers and its activities involve it in every aspect of the sheep industry.



the structure of the committee detailed above and the length of service of existing members.

- New appointments can be made at any NSA Board meeting.

Term of office

- Individuals stand for three years with their position reviewed annually at the first Board meeting of the New Year.
- Individuals serve for a maximum of two three-year terms, after which they must have at least one year not in position before being re-nominated.

Scope and remit

- The scope includes financial and personnel matters, and the remit is to examine in detail financial information being presented to the Board for decisions. This is for the full extent of NSA activity, including NSA Head Office, regions and ram sales.
- Committee members to sign a confidentiality agreement and not discuss matters outside of the committee/Board. They are privy to high level financial information but not individual staff salaries. The exception to this is the salary of the Chief Executive, which is reviewed annually by the Board when signing off the next year's financial budget.
- Quarterly budget performance is routinely shared, and other financial and operational information as requested by the committee and/or deemed appropriate by the NSA Honorary Treasurer and NSA Chief Executive.

Frequency of meetings

- Minimum of four meetings per year, with the option to add additional meetings where required.
- All meetings to be virtual (typically via Zoom), with the option for one face-to-face meeting per year if deemed necessary.

These Terms of Reference are reviewed annually by the NSA Board and NSA Finance Scrutiny Committee.

Date approved by Board: 05.05.2021 for implementation on 01.01.2022
Date of next review is January 2023