



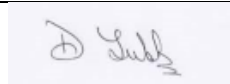
Finance and Audit Committee Terms of Reference 2023-24

Our Vision

Achieving More Together

Our Mission

Working together passionately to achieve the best outcomes for our SEND children and young people

Reviewed by:	F&A committee with DFO, CEO, CoT and Clerk
Review date:	June 2023
Ratified by:	Board of Trustees
Ratification Date:	6 th July 2023
Review Frequency: <i>Annual, Bi-Annual</i> (Subject to Academy Trust or national policy change)	Annual
Review Date:	July 2024
Chair of Trust/Governor Signature:	

‘to seek our funding and growth to increase the availability of sustainable high-quality provision’

The Finance and Audit Committee has oversight of the Academy Trust's financial, governance, risk management and internal control systems to provide a secure and enabling financial framework leading to the provision of a quality learning environment.

Authority

The Board of Trustees will agree and approve the committee terms of reference annually and ensure the committee's delegated responsibilities are in line with the Trust Schemes of Delegation and Financial Delegation.

Membership

- The committee shall consist of no less than 4 Trustees appointed by the Board of Trustees
- The Director of Finance and Operations (DFO) and the Chief Executive Officer (CEO) as Executive Team representatives
- Chair of Trustees (ex-officio with full voting rights)
- A Chair and Vice Chair shall be appointed annually from among the committee members; the appointment of the Chair shall be subject to the approval of the Board of Trustees and will not be the Chair of Trustees.
- The committee may invite other Trustees, Members or persons with specific expertise to attend and provide advice to the committee.

Quorum

The quorum shall be 3 Trustees.

Meetings

The committee shall meet a minimum 6 times per year, usually once per academic term and as required. Meetings shall be held in person or virtually via Microsoft Teams. The committee will report regularly to the Board of Trustees via distribution of committee minutes and reporting at each Board meeting.

Monitoring and challenge

BUDGET

- To review and advise during the annual budget setting process ensuring a balanced budget is set together with three-year budget forecasts and recommending to the Board for approval and submission to the ESFA.
- To monitor the Trust's financial performance including addressing material variances between the budget and actual income and expenditure
- To select Key Performance Indicators and measure performance against them regularly.
- To monitor the Trust's cash flow position, providing assurance to the Board that the Trust remains a going concern.
- To make recommendations and advise the Board in respect of the investment of surplus reserves, acting in accordance with the Articles.
- To monitor levels of debt through the review of Aged Debtors.
- To approve expenditure in line with the Scheme of Financial Delegation.
- To review and update annually, and as required, the Scheme of Financial Delegation, for approval by the Board

- To ensure that the management accounts are reviewed monthly by the Chair of Trustees and the Chair of the committee and any issues reported to the committee
- To recommend to the Board actions in respect of staffing including pension arrangements, Trust staffing structures and annual inflation pay rises
- To review the value for money and effectiveness of insurances and key contracts

HEALTH & SAFETY & PREMISES

- To develop and recommend to the Board of Trustees, the Trust's strategy for health and safety and its statutory health and safety policy.
- To ensure that the Trust is meeting its statutory obligations concerning health and safety, including the strategic review of RIDDOR and other serious occurrences
- To approve the Trust's Premises Management Strategy
- To regularly review the implementation of the Trust's Premises Plan

RISK

- To take delegated responsibility on behalf of the Board of Trustees for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management; and for ensuring the Trust is complying with the overall requirements for internal scrutiny, as specified in the Academies Financial Handbook.
- To approve the Trust's annual Risk Management Strategy and oversee the annual review of the Risk Register
- To conduct termly reviews of the Risk Management program and progress of executive actions to eliminate or mitigate against current and future risks, ensuring schools have Business Continuity Plans in place.
- To ensure proportionate controls and mitigation are in place to reduce the risk of cybercrime and action to be taken in the event of a cyber security incident.

INTERNAL SCRUTINY

- To appoint / re-appoint Internal Auditors to provide the required level and coverage of internal scrutiny in line with the requirements of the Academy Trust Handbook.
- To agree an annual programme of internal scrutiny / audit, which is objective and independent, covering systems, controls, transactions, and risks.
- To advise the Board on the adequacy and effectiveness of the trust's systems of internal control, governance, and risk management processes,
- To consider the appropriateness of executive action following internal audit/internal scrutiny reviews and to advise the Board on any additional or alternative steps to be taken

EXTERNAL AUDIT

- To review the annual report and accounts
- To review the auditor's findings and executive action taken in response
- To advise the Board and Members in respect of the Audit findings
- To assess the effectiveness and resources of the external auditor in order to produce an annual report recommending to the Board/Members the auditors re-appointment, dismissal or retendering at least every 5 years.

FRAUD

- To receive reports from management on all cases of fraud, attempted fraud or other irregularities,

and to consider whether appropriate action has been taken and that internal controls are satisfactory.

- To ensure that a fraud register is maintained and reviewed.
- To notify the Board of Trustees and if necessary, to notify regulators in line with regulatory guidance, of any incidence of fraudulent activity of which the committee becomes aware.

REPORTING

- To seek assurance that all submissions to the ESFA are made in a timely manner
- To complete all Trustee level documentation for submission to ESFA / Audit as required

POLICES

- To review and approve delegated policies in line with the Trust Policy Schedule.
- To monitor the implementation of key financial policies as part of the program of internal scrutiny

OTHER

- To receive and reflect on all ESFA letters and notifications
- To monitor GDPR compliance across the Trust
- To oversee the Performance Management of the DFO
- To consider any matters brought to the committee by the Trust Executive

Administrative Responsibilities

- To ensure there are effective Clerking arrangements in place for the Committee
- To set an annual schedule of meetings
- To set the annual workplan for the committee
- To review the committee skills base and make recommendations to the Board for training, development and recruitment of committee members
- To review the terms of reference annually and recommend to the Board for approval

END.