



# Finance, Audit and Risk Committee – Terms of Reference

## Key document details

<b>Author:</b>	Angela Livingstone (Clerk)	<b>Approver:</b>	
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### Finance, Audit and Risk COMMITTEE

The Resources and Audit Committee has been established to take a strategic overview of the academy trust's finances and resources, including establishing staffing structures, budget setting, financial reporting and the monitoring of internal controls and accountability policies. It will ensure the financial stability of individual academies and the academy trust. The committee is responsible for recommending financial policies, goals, and budgets that support the mission, values and strategic goals of the trust. The committee also reviews the trust's financial performance against its goals and proposes major transactions and initiatives to the board of trustees.

The principal priorities of the Resources and Audit Committee include being responsible for:

- Budget setting and financial management of the Academy, including any subsidiary or connected undertakings
- Audit and statutory financial submissions
- Monitoring implements of performance management processes
- Staffing – including pay policy, cost and deployment
- Health & Safety matters
- Relevant policies

#### Terms of Reference:

1. Consider indicative funding for each academy and the trust, notified annually by the ESFA, and to assess its implications for the academy trust, in consultation with the CEO and Executive Team, in advance of the financial year, drawing any matters of significance or concern to the attention of trustees
2. Propose the annual budget to the board of trustees and regularly report to the board on financial matters
3. Regularly monitor income and expenditure against the budget, including reporting on any significant budget amendments
4. Review and monitor all policies under the scope of the committee as delegated from the board of trustees
5. Ensure compliance with the Academies Financial Handbook and ensure that academy control systems are robust
6. Ensure the Annual Report and Accounts are produced in accordance with the ESFA Accounts Direction and Academies Financial Handbook
7. Monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement.
8. Receive auditor reports and to recommend to the full governing body action as appropriate in response to audit findings.
9. Retain oversight of overall outcomes of the appraisal/performance manage process, in order to help identify staff performance levels and where appropriate approve CPD/training programmes as a result (Pay Review Committee will be responsible for the assessment and implementation of staff pay progression)
10. Approve improvement plans and actions relating to the finance and premises area.

11. Ensure a strategic financial view of income, staffing, other expenditure and capital projects. To have a strategic view regarding forward planning of schools finances through longer term financial plans and projections, including capital funding for maintenance of existing facilities and for school improvement projects.
12. Report back to the board of trustees on any other matters of significance.