



# Terms of Reference for the Finance & Audit Committee

## 1. Powers of the Finance & Audit Committee

- To review and monitor the individual academy annual budgets with a specific responsibility to ensure that budgets do not go into deficit;
- to review, recommend to the Trust Board and monitor the Trust annual budget that consolidates individual academy budgets with Trust central costs and charges, with a specific responsibility to ensure the Trust budget does not go into deficit;
- to identify and propose to the Trust Board opportunities for the Trust to achieve financial and resource efficiencies for member academies through joint commissioning and procurement;
- to review and approve the Trust and Academy Interim Year End financial reports prior to audit;
- to review and recommend to the Trust Board the appointment and re-appointment of the Trust's auditors;
- to plan and oversee the statutory audit of Annual Accounts for the Trust and each academy;
- to review and recommend to the Trust Board the audited Annual Accounts, Trustees Report and Financial Statements in accordance with relevant statute and regulation;
- to review and approve the annual Accounts Return to the Education Skills Funding Agency;
- to plan, oversee and monitor the internal audit of Trust and academy compliance with the Trust's financial regulations and procedures and to recommend and implement appropriate action to enhance compliance;
- to review and approve the Trust's Finance policy;
- to consider and respond to proposed Teachers Annual Pay Award and Support Staff Annual Pay Awards;

## 2. Composition and Appointment of the Finance & Audit Committees

- The composition of the Finance and Audit Committee shall be as follows:
  - Trustees or Members with relevant knowledge, skills and expertise in finance, accountancy, compliance, commerce and business;
  - Chief Executive;
  - Trust Finance Director;

## 3. Term of Office and Responsibilities of Committee Members

- The Term of Office for all Members is 4 years.
- On appointment Members are each required to familiarise themselves and to agree to comply with:
  - Trust Articles of Association;
  - Trust Master and Supplementary Funding Agreements;
  - Trust Financial Regulations;
  - Academies Finance Handbook;
  - these Terms of Reference;
  - current relevant financial legislation and guidance for academies.

## 4. Meetings of the Committee

- The Committee shall normally meet at least once per half-term and in particular:
- The Committee shall meet at the appropriate times set out in the Trust Governance Calendar;

- The members will receive notice of each meeting 7 clear days before the date of the meeting;
- The agenda, papers and minutes of Committee meetings will be sent by the Clerk to the Trustees when they are issued to members;
- Minutes will be signed by the Committee Chair at the next meeting to verify that the minutes are a true record.
- Quorum for a meeting of the Committee will be half the members and a majority of members present being Trust Directors.
  
- Each question to be decided at a meeting of the Committees shall be determined by a majority of votes of members present and eligible to vote on the question. The Chair shall have the casting vote in the case of equal votes for and against the decision.

#### **5. Appointment of the Committees Chair and Vice Chair**

- The Trust Board shall appoint the Chair and Vice Chair.
- The Trust Board shall have the right to remove the Chair and/or Vice Chair.
- The term of office for Chair and Vice-Chair will be 1 year and they shall be appointed at the first meeting of each school year.

#### **6. Appointment of a Clerk**

- The Trust Board shall appoint a Clerk to the Committees.