

## ACADEMY FINANCE COMMITTEE – TERMS OF REFERENCE

POLICY DATE: Summer 2020

REVIEW DATE: Summer 2021

<b>Membership</b>	<b>4 Trustees</b>
<b>Quorum</b>	<b>Minimum of 3 Trustees</b>

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### Meetings

1. The Committee shall meet as and when required but at least once a term.
2. The Committee meetings will not be open to the public but minutes shall be made available. Information relating to a named person or any other matter that the committee considers confidential does not have to be made available for inspection.
3. In the absence of the chair, the committee shall choose an acting chair for that meeting from among their number.
4. In the absence of the clerk the committee shall choose a clerk for that meeting from among their number (someone who is not the Executive Headteacher.)
5. The draft minutes of each meeting will be circulated with the agenda for the next ordinary meeting of the full Board of Directors.
6. Any decisions taken must be determined by a majority of votes of committee members present and voting – but no vote can be taken unless a majority of those present are Directors.
7. Committee terms of reference will be reviewed annually.

### Purpose

1. To act on matters delegated by the full Board of Trustees
2. To assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity.
3. To make appropriate comments and recommendations to the Board on such matters on a regular basis.
4. Major issues will be referred to the Board of Trustees for ratification.

### Terms of Reference

Subject to the requirements of the Academies Financial Handbook, the committee is authorised:

1. To consider the academy's indicative funding, notified annually by the ESFA, and to assess its implications for the HMFA, in consultation with the Executive Headteacher, and Finance Director in advance of the financial year, drawing any matters of significance or concern to the attention of the Board.

2. To consider and recommend acceptance/non-acceptance of the academy's budget, at the start of each financial year.
3. To inform development of the HMFA strategic plans through financial decisions. To consider financial priorities and proposals, in consultation with the Executive Headteacher & Finance Director, with the stated and agreed aims and objectives of the academy.
4. To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
5. To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the academy, and with the financial regulations of the EFA, drawing any matters of concern to the attention of the Board
6. To 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.
7. To prepare the financial statement for filing in accordance with Companies House, ESFA and Charity Commission requirements.
8. To receive auditors' reports and to recommend to the Board action as appropriate in response to the audit findings
9. To review the risks to internal financial control at the Trust.
10. To review the suite of finance related policies to include the Finance Policy & Scheme of Delegation and recommend to the Board for approval.
11. To review the Trust's Risk Register annually and recommend to the Board for approval.
12. To consider all relevant reports relating to internal audits carried out and arrangements for their implementation.
13. To agree a programme of work to address and provide assurance, if any financial risks are identified.

Approved by Trustees - Summer 2020

Signed .....  
Chairman of Directors

Signed .....  
Headteacher/CEO