

Woodside Academy



ACADEMY FINANCE, AUDIT & RISK COMMITTEE TERMS OF REFERENCE

Membership

Membership and the Terms of Reference will be reviewed annually.

The Committee requires a Chair and at least two trustees to form the committee. These are to stay the same people, unless resignation or new appointment. Employees cannot be on the committee. The Chair of the Committee cannot be the Chair of Governors.

At least one member of the Committee should have recent or relevant accountancy or audit assurance experience.

Meetings

The Committee must meet at least 3 times a year. This can be on the same date of the Full Governing Body meeting, but must occur separately.

The Accounting Officer (Principal) and Chief Financial Officer should attend to provide information and participate in discussions, in a non-voting, advisory role only.

In the absence of the Governance Professional the committee shall choose a clerk for that meeting from among their number (someone who is not the Principal or Chair.)

All meetings will be minuted and full reports given at every future FGB meeting. The Governance Professional will be responsible for ensuring the agendas are produced, minutes of the meeting are taken and a report presented to the subsequent FGB meeting.

Any decisions taken must be determined by a majority of votes of committee members present and voting. A minimum of two Committee members must be present for a meeting to be deemed quorum.

Purpose

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.

To consider matters relating to internal control and auditors, and to direct the programme of internal scrutiny and external audit, ensuring that risks are being addressed appropriately.

To report to the Board on the adequacy of the trust's internal control framework, including financial and non-financial controls and management of risks.

To make appropriate comments and recommendations on such matters to the Board of Trustees on a regular basis as required. Major issues will be referred to the Board of Trustees for ratification.

Terms of Reference

Subject to the requirements of the Academies Trust Handbook 2023, the committee is responsible for the following:

- To ensure sound monitoring and scrutiny of the Trusts' finances and resources.
- To consider the academy's indicative funding, notified annually by the ESFA, and to assess its implications for the academy, in consultation with the Principal and Chief Financial Officer, in advance of the financial year, drawing any matters of significance or concern to the attention of the Board.
- To consider and recommend acceptance/non-acceptance of the academy's budget, at the start of each financial year.
- To aid forward planning of financial resources, whilst considering the Trusts indicative funding as notified annually by the DfE, and whilst monitoring student intake numbers, curriculum and staffing costs and capital expenditure requirements, and to formulate and keep a three-year budget plan.
- Oversight must ensure information submitted to DfE and ESFA that affects funding, including pupil number returns and funding claims (for both revenue and capital grants) completed by the trust is accurate and in compliance with funding criteria.
- To inform development of the academy strategic plans through financial decisions. To consider financial priorities and proposals, in consultation with the Principal & Chief Financial Officer, with the stated and agreed aims and objectives of the academy.
- 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 ESFA, drawing any matters of concern to the attention of the Board.
- To review the Academy Financial Regulations annually and recommend to the Board for approval.
- To ensure financial compliance. To investigate and report on any financial irregularities, including whistleblowing in very serious cases.

- To work within an agreed framework for procurement, so as to ensure quality, fairness and consistency.
- To review the risks of internal financial control and to agree an annual programme of work that addresses these risks, and to inform the statement of internal control to provide assurance to the external auditors.
- 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 Academy Trust Handbook.
- To consider outputs from other assurance activities by third parties including ESFA financial management and governance reviews, funding audits and investigations.
- To consider all relevant reports relating to internal audits carried out and arrangements for their implementation.
- To have access to the external auditor, as well as those carrying out internal scrutiny, review their plans and reports and also consider their quality. To receive the reports and to recommend to the Board action as appropriate in response to the audit findings.
- Annual review of the Risk Register to inform the programme of work, ensuring checks are modified as appropriate each year.
- Review, monitoring and assurance of the Trusts' Risk Register at each meeting and report back to the Trust.

Approved by Finance, Audit & Risk Committee – December 2023

Approved by Full Governing Body – December 2023