

Terms of Reference for the Finance and Audit Committee

The members of the Finance and Audit Committee are:

- Headteacher
- Business & Finance Director
- Finance Officer
- Responsible Officer
- Up to 2 governors nominated by the full governing body (FGB)

The terms of reference are:

1. Review the proposed annual school budget, prepared by the Finance Department and make recommendations to the FGB on the adoption of the budget.
2. Ensure that the proposed school budget reflects the priorities of the School Improvement Plan.
3. Monitor the spending of the school budget to ensure adherence to the principles of Best Value and ensure the variances are understood and managed within the overall school budget in accordance with the Academies Financial Handbook
4. Annually review the delegated spending limits
 - a. Headteacher – £30k pa for Annual Contracts i.e. Property Services and £15k for one off contracts or supplies
 - b. Finance Director – £250 for supplies
5. Perform a benchmarking exercise on an annual basis.
6. Ensure that appropriate financial controls are in place and that any recommendations from the auditor reports are implemented.
7. Advise the FGB on the adequacy and effectiveness of the Academy Trust's systems of internal control and its arrangements for risk management, control and governance processes.
8. Advise the FGB on the appointment, reappointment, dismissal and remuneration of auditors (both external auditors and internal audit)
9. Monitor the effectiveness of auditors, including the use of auditor performance indicators
10. Ensure effective coordination between auditors
11. Ensure that additional services undertaken by the auditors is compatible with the audit independence and objectivity

12. Agree the work programme of internal audit including the checking of financial controls, systems, transactions and risks
13. Consider the reports of the auditors and, when appropriate, advise the governing body of material controls issues
14. Ensure that all allegations of fraud and irregularity are appropriately investigated and controls weaknesses addressed
15. Recommend the annual financial statements to the governing body for approval
16. Review the committee's membership and effectiveness on an annual basis to ensure that it has appropriate skills and relevant experience.
17. Review policies: Best Value Statement: Charging Policy

Reviewed/Date 2 February 2017

Next Review: November 2018