

Terms of Reference for William Tyndale Finance Committee

Purpose:

To assist the decision making of the governing body, enabling more detailed consideration in fulfilling their responsibility, which is to ensure sound management of the academy's finances. This includes proper planning, monitoring and ensuring probity, with regard to regularity, propriety and compliance.

To make appropriate comments and recommendations on such matters to the governing body.

Three members of the Finance Committee must be in attendance to ensure the committee is quorate. Major issues will be referred to the full governing body for ratification.

Terms of Reference:

Subject to the requirements of the Companies Act 2006 the committee is authorised:

1. To ensure that the academy complies with the requirements of the Academies Financial Handbook and the Funding Agreement.
2. To consider the academy's indicative funding, notified annually by the EFA, and to assess its implications for the academy, drawing any matters of significance or concern to the attention of the governing body.
3. To consider and recommend acceptance/non-acceptance of the academy's budget at the start of each financial year.
4. To contribute to the formulation of the academy's development plan, through consideration of financial priorities and proposals and the stated and agreed aims and objectives of the academy.
5. 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.
6. To liaise with and receive reports from the personnel, premises and curriculum committees, as appropriate, and to make recommendations to those committees about the financial aspects of matters being considered by them.
7. To ensure that the school's spending decisions represent value for money, and are justified as such.
8. To monitor and review expenditure against budget at each committee meeting, and ensure compliance with the overall financial plan for the academy, drawing any matters of concern to the attention of the governing body.
9. To monitor and review the effective implementation and operation of financial procedures and authority levels, and where appropriate to make recommendations for improvement.
10. To ensure preparation and audit of the annual accounts for submission to the ESFA, publishing on the school's website, distribution to members and filing in accordance with Companies Act and Charity Commission requirements.

11. To act as the academy trust audit and risk committee. Two members of the Finance Committee, excluding staff members, must be in attendance to ensure the committee is quorate. Employees should not participate as members when audit matters are discussed. The accounting officer and chief financial officer should attend to participate in discussions.

The responsibilities as audit and risk committee are as follows:

Internal Scrutiny

- (a) To agree a programme of work annually to deliver internal scrutiny that provides coverage across the year
- (b) To review the ratings and responses on the risk register to inform the programme, ensuring checks are modified as appropriate each year
- (c) To agree who will perform the work
- (d) To consider reports at each meeting from those carrying out the programme of work
- (e) To consider progress in addressing recommendations
- (f) To consider outputs from other assurance activities by third parties, including the external auditor, ESFA management and governance reviews, funding audits and investigations
- (g) To monitor the quality of the external auditor and internal scrutineer
- (h) To report to the governing body board on the adequacy of the trust's internal control framework, including financial and non-financial controls and management of risks.

External audit

- (a) To review the external auditor's plan each year
- (b) To review the annual report and accounts
- (c) To review the auditor's findings and actions taken by the trust's managers in response to those findings
- (d) To assess the effectiveness and resources of the external auditor to provide a basis for decisions by the trust's members about the auditor's reappointment or dismissal or retendering. Considerations may include:
 - a. the auditor's sector expertise
 - b. their understanding of the trust and its activities
 - c. whether the audit process allows issues to be raised on a timely basis at the appropriate level
 - d. the quality of auditor comments and recommendations in relation to key areas
 - e. the personal authority, knowledge and integrity of the audit partners and their staff to interact effectively with, and robustly challenge, the trust's managers
 - f. the auditor's use of technology
- (e) To produce an annual report of the committee's conclusions to advise the board of trustees and members, including recommendations on the reappointment or dismissal or retendering of the external auditor, and their remuneration.

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