

**Terms of Reference of the**

**Finance and Audit Committee v1.0**

**Financial Controls and Reporting**

* To ensure the Trust has appropriate internal financial controls in place, and perform the function of an Audit Committee
* To review the Trust’s monthly management reporting

**Budget review and monitoring**

* To recommend to the Trustees approval of the annual and termly revision budget plans
* To review the most recent monthly management reports to facilitate the monitoring of the Trust’s actual financial performance compared with budget forecasts, and to discuss and take decisions in relation to remedial action as necessary
* To discuss and make decisions on unbudgeted expenditure and virements within current budget plans
* To review benchmarking data, in order to compare the Trust’s financial performance with other similar Trusts

**Policies and Procedures**

* To review annually the Trust’s financial policies and associated Terms of Reference
* To discuss and recommend to the Trustees decisions with regard to supplier services and contracts, in line with appropriate authorisation levels

**Audit**

* To ensure all audit requirements and controls are adhered to in line with the Academies Financial Handbook
* To advise the Trustees on the adequacy and effectiveness of the Trust’s systems of internal control and arrangements for risk management, control and governance processes
* Monitor the effectiveness of auditors, and advise the Trustees on the appointment, re-appointment, dismissal and remuneration of auditors
* To review and comment on the Trust’s risk register
* To review and comment on the content of audit reports and monitor the implementation of agreed action plans
* To ensure that all allegations of fraud and irregularity are appropriately investigated and control weaknesses addressed
* To review the committee’s membership and effectiveness and make decisions in relation to its’ chair

**Governance**

* Membership shall comprise 3 trustees who shall form a quorum, including the chair (K. Dunning unless absent) and the Chief Financial Officer
* Clerking - each meeting must be minuted