



Terms of Reference for the Finance and General Purposes Committee 2021/2022

General Purposes include those matters relating to personnel, premises, maintenance, buildings and environment for each academy within the Trust which are delegated by the Board of Trustees.

The purpose of this committee is 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 Trust Board's responsibility to ensure sound management of the Trust's finances and resources, including proper planning, monitoring and probity. To make appropriate comments and recommendations on such matters to the Board of Trustees on a regular basis.

Major issues will be referred to the Board of Trustees for ratification.

Membership and Attendance

Board members who are not members of this Committee should have the right of attendance. Minutes of meetings of the Committee will be circulated to all members of the Board and will be reported to the Board.

Staff employed by the trust should not be members of this committee, but may attend to provide information and participate in discussions. The Chief Executive in his role as Accounting Officer and the Chief Financial Officer (Business Manager) will normally attend meetings of the Committee. At least one member of this committee will have financial skills and experience. The quorum for this committee will be 3 Trustees.

Frequency of Meetings

The Board shall determine how often the Committee shall meet. The external auditors may request a meeting if they consider one is necessary.

Terms of Reference

Responsibilities of the committee are as follows:

1. Oversight of the day-to-day operation of the Academy Finances for each school within the Trust, with due regard for the requirements of the Academies Trust Handbook, the Academy Funding agreement and the Schemes of Delegation.
2. To consider the Trust's funding, notified annually by the ESFA, and to assess its implications for the academy, in consultation with the CE, in advance of the financial year, drawing any matters of significance or concern to the attention of the Board of Trustees.

3. To consider and apportion individual school's funding to each Local Governing Board within the Trust with due regard to the supplementary funding agreement for each school and the Academies Financial Handbook.
4. To consider and recommend acceptance/non-acceptance of the budget for each academy within the Trust, before the start of each financial year.
5. To contribute to the formulation of the each academy's development plan, through the consideration of financial priorities and proposals, in consultation with the Leadership Teams, with the stated and agreed aims and objectives of each academy.
6. 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.
7. To receive reports from the Business Manager in order to monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the Trust and each academy, and with the financial regulations of the ESFA drawing any matters of concern to the attention of the Board of Trustees.
8. To monitor and review procedures for ensuring the effective implementation and operation of financial management on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement.
9. To prepare the financial statements for filing in accordance with Companies Act and Charity Commission requirements.
10. To receive auditors' reports and to recommend to the Board of Trustees action as appropriate in response to audit findings.
11. To recommend to the Board of Trustees the appointment or reappointment of the auditors of the Trust.
12. Check on the completion of the School Resource Management Assessment Tool.

Day to day control and monitoring of expenditure and income is the responsibility of the Business Manager in liaison with the Head of School and the Accounting Officer. The Board may delegate responsibility for managing specific elements of the budget to designated staff, subject to the agreement of the Committee. However, the Accounting Officer must continue to ensure appropriate oversight of financial transactions.

The Committee is responsible for controlling and monitoring virements during the year between cost centres. The Chief Executive has authorisation to exercise virements between costs centres for items of expenditure costing up to £25,000 including the application of contingency or unallocated funds. The Executive Leaders have authorisation to exercise virements between costs centres for items of expenditure costing up to £10,000 including the application of contingency or unallocated funds.

All virements outside these limits are to be submitted to the Committee for approval. In addition, the CE is to submit regular reports to the Committee on all virements processed.