



## **BOHUNT EDUCATION TRUST**

### **Finance & Audit Committee**

#### **Terms of Reference**

The board of trustees (the Trust Board) of Bohunt Education Trust (the Academy Trust) has established a committee of the Trust Board to be known as the Finance, and Audit Committee (the Committee).

These are its terms of reference.

#### **Membership**

- The Committee will be appointed by the Trust Board and will comprise no more than six and no fewer than three members.
- The Trust Board will appoint a member of the Committee, with requisite skills and experience, as its chair (the Chair). A staff member may not be the Chair. In the absence of the Chair, the Committee will elect a temporary replacement from among the members present.
- The Committee will be professionally clerked. In the absence of the Clerk a member of the Committee may clerk the meeting.

#### **Attendance**

- The Finance Director will attend all committee meetings.
- The Committee may ask the Chief Operating Officer and any other senior executive to attend meetings of the Committee either regularly or by invitation, in order to provide information.

#### **Meetings**

- The Committee shall meet at least termly on such dates as shall be determined by the Trust Board to enable it to meet its commitments. It shall also meet at such other time as the Clerk shall specify at the request of any three members of the Committee.
- Unless otherwise agreed, notice of each meeting confirming the venue, date and time together with an agenda shall be sent to each member of the Committee and any other person invited or required to attend no fewer than seven days prior to the date of the meeting.

#### **Minutes**

- The Clerk will minute the proceedings and resolutions of the Committee and ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- Minutes of each Committee meeting will be sent to all members of the Committee and the Trust Board within ten working days of the meeting.

## **Authority**

- The Committee is authorised by the Trust Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Committee.

## **Duties**

The duties of the Committee shall be to:

## **Finance**

- ensure compliance with Academies Financial hand book and Funding Agreement or any direction by ESFA;
- develop a financial strategy for the Academy Trust and consider policies, procedures or plans required to realise such strategy;
- consider the Academy Trust's indicative funding, once notified by the ESFA, and to assess its implications for the Academy Trust, in consultation with the CEO and the Finance Director, in advance of the financial year, drawing any matters of significance or concern to the attention of the Trustees;
- 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;
- consider and recommend acceptance/non-acceptance of the Academy Trust's budget to the Trustees;
- receive reports on ACF(Additional Capital Funding) allocation and to consider recommendations from the Trust Executive Team for ACF bids in excess of £250,000;
- monitor and review income and expenditure on a regular basis and ensure compliance with the overall financial budgets for the Academy Trust, drawing any matters of concern to the attention of the Trust Board;
- ensuring the effective implementation and operation of financial procedures and, where appropriate to make recommendations for improvement;
- provide assurance to the Trust Board that the Finance Policy reflects practice;
- examine and review new initiatives for financial development, including fundraising;
- oversee significant investment, providing guidance to the Trust Board regarding approval;
- promptly notify the Trust Board of all financial matters of which the Committee has knowledge and which may materially affect the current or future position of the Academy Trust.

## **Audit**

- responsibility for monitoring the adequacy and effectiveness of the Academy Trust's systems of internal control (including review of the statement of internal control) and its arrangements for risk management and control processes and for securing economy, efficiency and effectiveness (value for money);
- advising the Board on the appointment, re-appointment, dismissal and remuneration of the internal audit service;
- advising the Board on the scope and objectives of the work of the internal audit service;
- ensuring effective co-ordination between the internal audit service and the external auditors;

- considering and advising the Board on the audit strategy and annual internal audit plans for the internal audit service;
- reporting to the Board on internal audit assignment reports, control issues identified and Trust Executive team's responses to these;
- monitoring, within an agreed timescale, the implementation of agreed recommendations relating to internal audit assignment reports, internal audit annual reports, and the external auditors' report;
- considering and advising the Board on relevant reports by the National Audit Office, the Education & Skills Funding Agency and other funding bodies and, where appropriate, Trust Executive team's response to these;
- establishing, in conjunction with Trust Executive team relevant annual performance measures and indicators and monitoring the effectiveness of the internal audit service;
- monitoring the Academy Trust risk register and advising the Board on its adequacy and effectiveness;
- producing an annual report for the Board and Accounting Officer which should include the Committee's advice on the effectiveness of the Academy Trust's approach to risk management;
- monitoring and advising the Board on any alleged fraud and irregularity in the Academy Trust's financial and other control systems and ensuring that all allegations of fraud and irregularity are properly followed up;
- recommending the annual statutory accounts to the Board for approval;
- considering any financial related matters arising from the Academy Trust's whistleblowing procedures.

### **Health & Safety**

- monitor compliance with the Academies Health & Safety policies and statutory obligations under the Health and Safety at Work Act 1974;
- receive regular reports on Health & Safety from the Chief Operating Officer by individual academy

### **Asset Management**

- confirm that an asset recording system is in place, including an inventory and fixed asset register for each Academy;
- receive reports on the management of assets including premises' condition and their security.

### **GDPR/ Data Protection**

- receive an annual report from the Data Protection Officer reporting on the effectiveness of data protection across the Academy Trust

### **Policies**

- approve and keep under review any policies that are delegated to the Committee by the Trust Board.

### **Review**

The Trust Board will review these terms of reference annually.