



Terms of Reference

For the Finance, Audit and Risk Committee

The board of trustees of Fulston Manor Academies Trust (FMAT) has established a committee of the board to be known as the FMAT Finance, Audit and Risk Committee.

Meetings of the Finance, Audit and Risk Committee will take place at least three times per year and as determined by need.

The quorum for each meeting shall be three trustees.

The main responsibilities to be managed by the Finance, Audit and Risk Committee are outlined below:

General

- In accordance with the Academy Trust Handbook the committee's chair must not be the Chair of Trustees.
- To make regular reports to the trust board.
- In the absence of the chair, the committee shall choose an acting chair for that meeting from among their members.

The Finance, Audit and Risk Committee will act on matters delegated by the board of trustees.

Finance

- To recommend the current year's and three-year rolling budget in line with strategic priorities.
- To recommend and monitor budgets to ensure resources are allocated in line with key priorities.
- To recommend the annual contribution from each academy to the central trust budget.
- To approve transfer of funds between budget allocations in accordance with the trust's finance policy.
- To receive and review monitoring reports for each academy and approve any significant variances.
- To agree and monitor the trust's capital expenditure programme, including capital funding through the Condition Improvement Fund (CIF).
- To monitor income (six times per year), expenditure, cash flow and balance sheets as per the Academy Trust Handbook requirement.
- To monitor the use of assets and the efficient use of financial resources through benchmarking and value for money reviews.
- To scrutinise the draft Annual Report and Financial Statements and recommend approval to the board of trustees.

- To analyse and approve tenders for academy and trust-wide contracts for services and supplies over £20k.
- To recommend and monitor the trust's limits (Finance Policy and Procedures, Investment Policy, financial responsibility and internal control).
- To recommend a Charging and Remissions Policy.
- To monitor the implementation of the trust's finance policy within the trust and by each academy including the segregation of duties.
- To ensure that sufficient funds are set aside for pay increments as set out in the trust pay policy and as recommended by the Executive Headteacher and academy Headteacher/Head of School.
- To prepare the trustee's report to form part of the statutory accounts of the trust board.

Strategic

- To monitor the trust's Risk Register to ensure that all significant risks are mitigated and report to the board of trustees.

Audit

- To approve arrangements for internal audit.
 - To review findings from internal audits and management responses.
 - To ensure compliance with the Academy Trust Handbook.
 - To monitor internal controls to ensure they are secure and minimise the risk of abuse or fraud.
 - To ensure whistleblowing arrangements are in place across the trust and regularly reviewed.
- To recommend to the board of trustees the appointment of the external and internal auditors

Quorum Article 101 of the trust's Articles of Association specifies that no vote may be taken at a meeting of a committee of the trustees unless the majority of those present at the meeting are trustees.