

## Finance Committee

### Terms of Reference



#### **Purpose**

To formulate guidelines for and oversee the discharge of the Trust's responsibilities for the proper management of the finances of the Trust and of its Colleges.

#### **Responsibilities**

1. To oversee the Trust's application of, and to make decisions and/or recommendations in accordance with, the Academy Trust Handbook and relevant financial regulations;
2. To review and recommend to the Board the adoption of financial policies at the required intervals;
3. To seek assurance that the necessary returns to the ESFA and other funding bodies are timely and accurate;
4. To consider and review the periodic management accounts including cash flow and Key Performance Indicators;
5. To review the Trust's draft and audited Annual Report and Financial Statements and to make recommendations to the Board;
6. To consider the financial implications of any proposals made regarding changes to pay policies for staff;
7. To recommend the formal budget plan to the Board for approval;
8. To consider the solvency of the Trust and the safeguarding of its assets (including the disposal of assets) and make recommendations to the Board where required;
9. To review and approve the Trust's Treasury Management Policy annually
10. To undertake an annual review of the charges made by and provided to related parties and assess whether they represent value for money;
11. To determine with the CEO and/or Chair any dismissal/early retirement payments and propose this to the Board and/or the ESFA as appropriate.

#### **Delegated Authorities**

#### **Policies/Reports to scrutinise and recommend to the Trust Board:**

1. Financial Regulations
2. Annual budget and three-year forecast
3. Financial Statements
4. Reserves Policy

#### **Membership**

The Committee shall comprise up to seven members, to include *ex officio* the Chair of the Board and the CEO.

The Committee may invite the Trust's advisers or other third parties to attend meetings of the Committee as appropriate (such persons shall be entitled to speak at the meeting, but not to vote).

There shall be a standing invitation for members of the Senior Executive Team and Finance Teams to attend meetings of the Committee. Other members of staff may also attend on specific invitation from the Committee Chair.

The quorum for meetings of the Committee shall be four.

#### **Chair**

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The Trust Board will appoint a Trustee as the Committee Chair through its standard processes for a term of one year, renewable, at its meeting in July for the following academic year.

#### **Vice-Chair**

The Trust Board will appoint a Trustee as the Committee Vice-Chair through its standard processes for a term of one year, renewable, at its meeting in July for the following academic year.

#### **Clerk**

The Trust Clerk shall act as Clerk to the Committee

#### **Frequency of Meetings**

The Committee will meet not less than six times a year.

#### **Term of Office**

Appointments of members of the Committee will cease at the end of their term of office as a Trustee, unless members opt to terminate their membership by issuing notice of resignation to the Trust Clerk.

#### **Powers**

This Committee is advisory to the Board, apart from the specific powers delegated above and any additional powers as delegated by the Trust Board, from time to time.