

SSJS Finance, Audit and Risk (FAR) Committee

Terms of Reference

1. Introduction

The Finance, Audit and Risk (FAR) Committee has been established by the Board of Trustees to provide detailed scrutiny of the Trust's financial management, ensuring resources are used efficiently, aligned to the Trust's strategic priorities, and compliant with regulatory requirements. It acts as the Board's finance committee, monitoring budgets, expenditure and key financial policies.

In addition, the FAR Committee incorporates the statutory functions of an Audit and Risk Committee under the *Academies Trust Handbook*. It is therefore also responsible for overseeing the adequacy of internal controls, directing the programme of internal scrutiny, and advising the Board on risk management and audit findings.

2. Membership and Quorum

- The committee will be appointed by the Board of Trustees and comprise at least three trustees.
 - Employees of the Trust cannot be committee members. The Accounting Officer (Headteacher) and Chief Financial Officer will normally attend to provide information and advice but are not members.
 - The Chair of the Board of Trustees may not chair this committee.
 - Quorum: at least 50% of committee members, rounded up.
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3. Meetings

- The committee will meet at least three times per year, and more frequently if required.
 - Extraordinary meetings may be called by the Chair or by at least three members, with seven days' notice (or shorter if urgent).
 - The Clerk will circulate agendas and papers in advance and record minutes.
 - Minutes will be reported to the Board of Trustees. Confidential minutes will be restricted to those present for the item.
 - Members must declare and withdraw from any item where a conflict of interest arises.
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4. General Duties

- Act in accordance with the Trust's Code of Conduct.
- Review these Terms of Reference annually and recommend any changes to the Board.
- Report to the Board of Trustees on proceedings, decisions and recommendations.
- Monitor compliance with relevant legislation, regulation and statutory guidance, advising the Board where revisions are needed.

5. Delegated Responsibilities

A. Financial Oversight

Committee role:

- Scrutinise and recommend the annual budget to the Board.
- Monitor income and expenditure against budget, ensuring corrective action is taken where necessary.
- Approve purchases presented by the HT's for approval within the delegated authority of the committee
- Ensure compliance with the *Academies Trust Handbook*.
- Approve finance-related operational policies and other delegated policies in line with the Trust's Policy Schedule.
- Ensure appropriate financial delegations to the Headteacher and CFO are reviewed annually.
- Receive assurance that all non-public and charitable funds are audited.
- Maintain oversight of the Register of Pecuniary and Business Interests.

Reserved to the Board:

- Final approval of the annual budget.
- Final approval of the annual accounts and financial statements.

B. Audit and Internal Scrutiny

Committee role:

- Direct and review the Trust's risk-based programme of internal scrutiny.
- Consider reports from internal and external auditors, monitoring implementation of recommendations.
- Review and advise on the Trust's accounting policies.
- Review the draft annual accounts, governance statement and annual report prior to submission for audit.
- Ensure the Trust's annual summary report of internal scrutiny findings is prepared.

Reserved to the Board:

- Approval of the annual report and financial statements.
 - Approval of the Governance Statement.
 - Appointment, re-appointment or removal of the external and internal auditors (on FAR recommendation).
 - Submission of the annual internal scrutiny summary to the DfE.
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C. Risk Management

Committee role:

- Monitor the Trust's risk management framework and provide assurance to the Board on its adequacy.
- Review the Risk Register regularly and recommend it for Board approval.
- Review and recommend the Business Continuity Plan.
- Ensure the internal scrutiny programme addresses key risks.

Reserved to the Board:

- Annual approval of the Risk Register.
 - Approval of the Business Continuity Plan.
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D. Health and Safety Assurance

Committee role:

- Receive assurance, via the Health & Safety Link Trustee and senior leaders, that statutory H&S requirements are met.
- Review annual H&S audit findings.
- Monitor compliance with key H&S risk controls and training requirements.

Reserved to the Board:

- Approval of the Health & Safety Policy (employer responsibility).
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6. Reporting

The committee will provide minutes and a verbal summary report to the Board of Trustees following each meeting.