



Central Schools Trust

Terms of Reference Finance Committee

September 2023

Composition and Quorum

- The Committee will consist of at least four Trustees
- The quorum for the Committee is three Trustees

Purpose

- To assist the decision making of the Trust Board, 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 and individual academies' finances and resources, including proper planning, monitoring and probity
- To make appropriate comments and recommendations on such matters to the Trust Board on a regular basis

Composition and Operation of the Committee

- The Committee will consist of at least four Trustees
- Any trustee who is employed by the Trust is ineligible to be a voting member of the Committee but may attend as a non-voting observer by invitation only
 - The Chief Executive Officer and Academy Headteachers will usually be invited to attend all meetings
- Either the Chair of the Trust Board (or Vice-Chair) may also attend meetings as a voting member of this Committee

- The Committee will elect its own Chair and Vice-Chair by vote of the Committee members at the first termly meeting of the academic year
- The quorum for the Committee is three Trustees
- Only Trustees, including the Chair of the Trust Board (or Vice-Chair), who are members of the Committee can vote
- Other Trustees and employees of the Trust may attend as non-voting observers by invitation only
- Agendas for meetings, where practical, will be circulated seven days prior to the meeting
 - Additional agenda items should be sent to the Committee Chair at least ten days prior to the meeting
- The minutes of meetings will be circulated, if possible, to all Trustees seven days before full Trust Board meetings
 - Failing this, copies will be available before the start of the Trust Board meeting.
- The Committee will ensure that adequate minutes are taken, resolutions and decisions are formally noted and that the Chair of the meeting signs them as a mark of approval
 - Confidential items will be noted as such and excluded from public papers
- The Chair or Vice-Chair of the Committee will give a verbal report at each Trust Board meeting
- Meetings are held six times a year

Terms of Reference

Subject to the requirements of any funding agreements, the Committee is authorised:

- To consider the Trust's and individual academies' indicative funding, notified annually by the DfE, and to assess its implications, in consultation with the Chief Executive Officer and Headteachers, in advance of the financial year, drawing any matters of significance or concern to the attention of the Trust Board
- To ensure that the financial needs of all academies within the Trust are treated fairly and equitably
- To review medium term financial plans

- To consider and recommend acceptance/non-acceptance of the Trust's and individual academies' budgets, at the start of each financial year
- To contribute to the formulation of the development plan, through the consideration of financial priorities and proposals, in consultation with the Chief Executive Officer and Headteachers, with the stated and agreed aims and objectives of the Trust
- 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
- To receive, and make recommendations on, in-year business cases proposals for additional funding presented by the Local Governing Body of an individual academy
- To liaise with and receive reports from the Pay Committee, as appropriate, and to make recommendations to this committee about the financial aspects of matters being considered by them
- To appoint a Responsible Officer and review the Responsible Officer's termly reports and ensure any required actions are undertaken
- To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the Trust and academies, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the Trust Board
- To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement
- To prepare the financial statement for filing in accordance with Companies Act and Charity Commission requirements
- To receive auditors' reports and to recommend to the Trust Board action as appropriate in response to audit findings
- To recommend to the Trust Board the appointment or reappointment of the auditors of the academy.

General Purposes

- To approve and monitor the progress of all building programmes, including all major refurbishment and its implications
- To set and monitor policy on issues of an environmental nature with a view to being as environmentally aware as is practicable
- To monitor issues of security, health and safety across all Trust premises
- To advise the Trust Board on priorities for the maintenance and development of all Trust premises
- To review the Trust's arrangements in respect of whistleblowing and anti-fraud and make recommendations as necessary
- To ensure that all allegations of fraud and irregularity are being followed up and addressed
- To review the status of threatened or pending litigation
- To endeavour to identify to the Trust Board matters that expose Trustees to claims for which Trustees could be held personally liable
- Ensure that Trustees and Senior Managers have submitted an annual return to confirm whether they have had any related party transactions with the Trust or academies during the previous year