

SEATON ACADEMY



TERMS OF REFERENCE – FINANCE, AUDIT AND RISK ASSURANCE COMMITTEE

The Board has established a joint Finance, Audit and Risk Assurance Committee as a committee of the board to support their responsibilities for issues of risk, control and governance by reviewing the comprehensiveness of assurances in meeting the Board and Accounting Officer's needs and reviewing the reliability and integrity of these assurances.

The Members of the Finance, Audit and Risk Assurance Committee are:

- Non-Executive Board Members
 - Sue Armstrong
 - Carly Wallace Lawman
 - Paul Smith
 - Phil Sharpe
- External Auditors,
 - Riverside Accountancy as required.
- The Finance, Audit, Risk and Assurance Committee will be Chaired by Sue Armstrong (ACMA, CGMA) with Carly Wallace Lawman as Vice Chair.
- The Finance, Audit, Risk and Assurance Committee will be provided with a secretariat function by Christine Mounsey.

Appointment of the Non-Executive Board Member is for a period of 3 years and can be reappointed after this time up to a maximum of 6 years.

Also in Attendance, but not members on Audit Risk and Assurance matters will be the Accounting Officer and Business Manager. For Finance Items outside the Audit, Risk and Assurance matters they will be full members.

Reporting

- A formal written report will be submitted to the Trustee Board and Accounting Officer after each meeting.
- The Audit, risk and assurance element of the Committee will provide the Trustee Board and Accounting Officer with an Annual Report, timed to support finalization of the accounts and governance statement, summarizing its conclusions from the work it has done during the year.

Responsibilities of Audit, Risk and Assurance Element of the Committee

The Trustee Board and Accounting Officer will be advised on:

- The Strategic processes for risk, control and governance and the Governance Statement.
- The accounting policies, the accounts and the annual report of Seaton Academy, including the process for review of the accounts prior to submission for audit, levels of error identified and the management's letter of assurance to the external auditors.
- Planned activity and results of audits (financial and non financial)
- Adequacy of response to issues identified by audit activity.
- Assurances on risk and corporate governance.
- Retendering of Audit services or additional audit scope
- Anti-Fraud and whistleblowing processes.
- Review of effectiveness of the Finance, Audit, Risk and Assurance Committee.

The Audit Committee is able to bring in external specialists as required to support necessary activities (subject to budget approval from main Trustee Board).

Responsibilities of the Finance Element of the Committee

- To review the Academy's proposal for the budget each year in accordance with the academy's needs and the priorities informed by the academy's improvement plan
- To recommend the Budget proposal to the Full Trustee Board
- To review and understand the Value added of the pupil premium grant within the overall school budget.
- To provide assurance that there is effective Financial Management of the Academy.
- To identify potential funding issues and support or challenge proposals on how to keep the revenue and capital expenditure on target.
- To identify issues and initiate actions where needed, with all decisions being reported back to full governing board.
- The Accounting Officer will manage all areas of expenditure within the agreed budget on a day today basis and within their delegation. Any higher spend requirements must be escalated in line with the delegations of authority.
- Spends must not exceed the agreed annual budget and if indications are that this is likely it must be raised as early as known for decisions and action to be taken.
- If an urgent financial decision is needed that cannot wait for next meeting, it can be taken so long as Accounting Officer (or in case of absence their deputy) and Chair of Finance, Audit and Risk Committee both approve in writing. The Chair of Trustees can also approve. There must always be a Trustee signature and an Academy signature.

MEETINGS

- The Committee will meet as a minimum, 4 times a year. Additional meeting can be convened as necessary.
- At least 2 Non-Executive members of the committee are required in order to be quorate. The Vice Chair can deputise, but the Chair of the Trustees cannot.
- Meetings can be attended by other relevant parties as required.
- The Committee may ask any or all of those who attend but are not members to withdraw to facilitate open and frank discussion on particular matters.
- The Main Trustee board or the Accounting Officer may ask the committee to convene further meetings when they need to committees' advice.

INFORMATION REQUIREMENTS

For each meeting, the Finance, Audit, Risk and Governance Committee will be provided at least 1 week before the meeting with:

- Risk Register and any significant changes to it.
- Progress Report on the planned internal audits for year with updates from those who have completed an audit with actions.
- At appropriate time of year update from external auditor
- Any major incidents or near misses and lessons learned.

As and when appropriate the Committee will be provided with:

- ToR for Internal Audit/Responsible Officer reviews then their findings
- Draft Accounts for the Academy
- Draft Governance Statement
- Any changes to proposed accounting policies
- External Audits management letter
- Proposals to tender for external audit work
- Risk Management Strategy.
- Major proposed changes to Policies
- Any documents as required such as training records, business continuity documentation, etc.