

Cramlington Village Primary School

Terms of Reference Finance and Resources Committee (including Audit)

1. Purpose

The Finance & Resources Committee (formerly Resources Committee) provides assurance to the Board of Trustees on the adequacy and effectiveness of the Trust's financial management, internal control, risk management, and audit arrangements. It supports the Board in fulfilling its statutory responsibilities for financial oversight, compliance, and value for money.

2. Authority

The Committee is authorised by the Board of Trustees to:

- Investigate any activity within its remit.
- Seek any information it requires from any employee or external party.
- Obtain external professional advice as necessary.
- Request attendance of staff or external advisers at meetings.

The Committee does not have delegated authority to approve the annual accounts or budget; these remain the responsibility of the Board.

3. Membership

- Minimum of three trustees, appointed by the Board.
- The Committee must include trustees with appropriate financial expertise.
- Staff trustees may attend but must not form the majority.
- The Accounting Officer and CFO attend by invitation but are not members.
- The Committee Chair is appointed by the Board.

Quorum: Two trustee members, including the Chair or Vice-Chair.

4. Meetings

- The Committee will meet at least three times per year, in line with ATH requirements.
- Additional meetings may be convened as required.
- Minutes will be taken and submitted to the Board of Trustees.
- The Committee may meet privately with auditors without staff present.

5. Responsibilities

5.1 Financial Oversight

- Review monthly management accounts and report concerns to the Board.
- Monitor financial performance against budget and forecasts.
- Review the Trust's financial KPIs and sustainability indicators.
- Ensure the Trust remains a going concern.
- Review the financial implications of strategic decisions.

5.2 Budgeting & Financial Planning

- Scrutinise the draft annual budget before recommending it to the Board.
- Review the three-year financial plan and assumptions.
- Ensure financial plans align with the Trust's strategic priorities.
- Review the Budget Forecast Return (BFR) prior to submission.

5.3 Internal Control & Risk Management

- Review the Trust's internal control framework.
- Ensure segregation of duties and financial controls are effective.
- Review the Trust's risk register and financial risks.
- Monitor compliance with the Academy Trust Handbook.

5.4 Internal Scrutiny

- Approve the annual internal scrutiny plan.
- Ensure internal scrutiny provides adequate coverage of financial and non-financial risks.
- Review internal scrutiny reports and monitor implementation of recommendations.
- Ensure independence of internal scrutiny arrangements.

5.5 External Audit

- Recommend appointment, reappointment or removal of external auditors.
- Review the external auditor's plan, findings and management letter.
- Assess the effectiveness and independence of the external auditor.
- Review the audited annual accounts and governance statement before recommending approval to the Board.

5.6 Compliance & Assurance

- Ensure compliance with the Funding Agreement, ATH, company law and charity law.
- Review related party transactions and ensure they meet "at cost" requirements.
- Ensure the Trust has appropriate anti-fraud, whistleblowing and financial policies.
- Monitor cyber-security risks relating to financial systems.

- Review any novel, contentious or repercussive transactions prior to Board approval.

5.7 Special Payments & Severance

- Scrutinise proposals for severance, compensation or ex-gratia payments.
- Ensure value for money and compliance with DfE approval thresholds.

6. Reporting

The Committee will:

- Provide written reports and recommendations to the Board after each meeting.
- Produce an annual summary report on internal control, risk management and audit effectiveness.
- Escalate urgent concerns immediately to the Chair of Trustees.

7. Review of Terms of Reference

- These Terms of Reference will be reviewed annually by the Committee and approved by the Board of Trustees.

8. Document Control

- Approved by: Board of Trustees September 2026
- Review cycle: Annual
- Next review due: September 2027