

Terms of Reference – The Finance & General Purposes Committee

Purpose of Finance & General Purposes Committee

The Finance and General Purposes Committee is a committee of the local governing body which forms part of The Northworthy Trust. The F&GPC meets at least once a term but more frequent meetings can be arranged if necessary.

Its purpose is to support the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity. It will also make appropriate comments and recommendations on such matters to the governing body on a regular basis.

The main responsibilities of the F&GPC are:

1. Review of the delegated annual budget (with updated reviews at each forthcoming meeting after this)
2. A review at each meeting of actual expenditure against budget
3. Review the monthly cash flow report
4. Review of the annual school accounts which form part of the Trusts annual accounts alongside the school management letter that is produced (in accordance with EFA and Companies Act).
5. The authorisation of expenditure greater than £5000 (unless it is one of the specified areas that has already been authorised by the governing body)
6. Review of any proposed tenders that are to be presented to the Trust
7. Reviewing of any significant staffing changes that would impact the school's budget (The head to report any exceptional staffing anomalies to the F&GPC in advance)
8. Annual review of the reports of the Responsible Officer
9. Annual review of the academy's Risk Register

Terms of Reference

Subject to the requirements of applicable legislation, the committee is authorised:

- A. To consider the academy's indicative funding, notified annually by the Trust and to assess its implications for the academy, in consultation with the head and the school business manager, in advance of the financial Year, drawing any matters of significance or concern to the attention of the Trust Finance Committee.
- B. To consider and recommend acceptance/non-acceptance of the academy's budget, in advance of each financial year.
- C. To contribute to the formulation of the academy's School Improvement Plan, through the consideration of financial priorities and proposals, in consultation with the head and the school business manager, with the stated and agreed aims and objectives of the academy.
- D. To receive and make recommendations on the academy budget headings and areas of expenditure to be adopted each year, including the level and use of any academy contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the academy development plan.

- E. To receive and make recommendations to the local governing body with regards to any in year deficit budget including developing strategies to address these issues
- F. To liaise with and receive reports from the Pay and Sear committees, as appropriate, and to make recommendations to those committees about the financial aspects of matters being considered by them.
- G. To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the Trust and, with the financial regulations of the EFSA, draw any matters of concern to the attention of the local governing body.
- H. To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of the academy bank account arrangements and, where appropriate to make recommendations for improvement.
- I. To receive auditors' reports relevant to the academy and to recommend to the local governing body action as appropriate in response to audit findings.

Membership

The membership of this committee may include persons who are not Governors, provided that a majority of members shall be Governors.

Quorum: is **three** governors present.

Approved by the Governing Body on 27 September 2018.