

FINANCE, AUDIT AND COMPLIANCE COMMITTEE

Terms of Reference

1.0 Constitution

- 1.1. The Gryphon Trust Board of Directors (“the Board”) has resolved to appoint a Finance, Audit and Compliance Committee (“the Committee”).
- 1.2 The Committee’s Terms of Reference and constitution are adopted by the Board and may only be amended by the Board.
- 1.3 The Committee shall comprise at least three directors, appointed by the Board each school year and as may otherwise be required. The Chair of the Board cannot be a member of the Committee. Employees cannot be members of the Committee. However, the Chief Executive Officer (Accounting Officer) and other relevant staff shall routinely attend meetings to provide information and to participate in discussions but shall have no voting rights. At least one member of the Committee shall have relevant financial or audit experience.
- 1.4 The Committee shall appoint a Chairman and Vice-Chairman at its first meeting each school year.
- 1.5. The Committee shall meet at least 6 times per school year and in advance of meetings of the Board.
- 1.6 A minimum of two members of the Committee shall be present for a meeting to be deemed quorate.
- 1.7 The Committee shall maintain a record of each meeting in the format it deems most appropriate.

2.0 Authority

- 2.1 The Board retains overall responsibility for the Trust’s funds and does not delegate this responsibility to the Committee.
- 2.2 The Committee shall not appoint a sub-committee.

- 2.3 The Committee shall report to the Board on any findings or decisions taken in fulfilment of its duties, as set out in these Terms of Reference and/or the Schemes of Delegation.
- 2.4 The Committee is authorised to investigate any activity within its terms of reference or additionally delegated to it by the Board. It is authorised to request and be given any information it requires from any Director, governor, employee, external audit, internal audit or other assurance provider.
- 2.5 The Committee is authorised to obtain any outside legal or independent professional advice it considers necessary.

3.0 Overview of Duties

- 3.1 The overall role of the Committee is to provide assurance to the Board over the suitability of, and compliance with, the Trust's internal and external legal, financial and regulatory policies and operational controls, the correctness and accuracy of funding information (or returns), and to ensure that risks are being adequately identified and managed.
- 3.2 The Committee is not intended to duplicate or to certify the activities of management or the Statutory/External Audit. Consequently, it is not the duty of the Committee to conduct statutory/independent audits or to determine that the Trust's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations.
- 3.3 The Committee's duties relate to both the Trust and its constituent academies.
- 3.4 The Committee shall agree, and at least annually review, a programme of work to provide its assurances on financial controls and risks.
- 3.5 The Committee shall ensure that "a statement is included in the Trust's annual accounts to the effect that the Trust has chosen to manage its programme of risk review and "that controls are checked through internal audit".

- 3.5 The outcome of the Committee's work should also inform the accounting officer's statement of regularity in the annual accounts.
- 3.6 The Committee shall make the findings from its programme of work promptly available to all Directors.
- 3.7 The Committee shall make the findings from its programme of work available to the ESFA if so requested by them.

4.0 The Duties

- 4.1 The Board has delegated to the Committee responsibility for scrutiny of activities and oversight of:
- Internal controls and regulations
 - Financial planning and monitoring, including cash management and investments
 - Spending, including procurement controls
 - Pay and performance management
 - Income generation
 - Risk management
 - Whistleblowing
 - Annual accounts
 - Internal scrutiny through independent challenge
 - Transparency
 - Delegated authorities
 - Safeguarding the Trust's assets and control of fraud, theft and irregularity
 - Statutory/External Audit
- 4.2 The Committee must ensure that information submitted to DfE and ESFA that affects funding, including pupil number returns and funding claims completed by the Trust and its constituent academies is accurate and in compliance with funding criteria.
- 4.3 The Committee shall:
- review all findings, reports or other notifications from the DfE, ESFA, our Statutory/External Auditor and the like, and make comments and recommendations to the Board

- monitor internal responses and implementations consequent upon such reports and the Boards related decisions, and advise the Board of any subsequent issues that may arise.

4.4 The Committee must, at the start of the start of the school year, self-assess its performance against these terms of reference and the programme of work, and submit any proposed changes to the Board.