



INTERNAL REPORT

Subject: FACC Performance Review

Date: 16-06-20

To: The Board of Directors

From: Roy Wilkins, Chairman of Directors

Compliers:

Purpose or Terms of Reference:

To support the annual scrutiny of the Finance Audit and Compliance Committee by the Directors as required by Clause 4.5 of its Terms of Reference

Executive Summary:

The Committee carried out some useful work including a favourable review of the Board against the 96 items listed in Part 8 of the AFH – Schedule of Requirements (“the musts”) and production of a Risk Management Plan.

Unfortunately, a shortfall in numbers and lack of any input from a qualified accountant hindered its progress in certain areas.

Recommendation:

That the Board conclude that the committee has performed to an acceptable standard in difficult circumstances

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The Gryphon Trust Strategic Plan 2019-2022

1.0 Introduction

- 1.1 At their meeting on 21st May 2019, the Directors decided that the Finance, Audit and Compliance Committee should be subject to annual scrutiny by Board of Directors.
- 1.2 As Chairman of the Directors, I decided to observe the meeting of the FACC on 15 May 2020.

2.0 Scope

- 2.1 This report aims to provide information to the Directors to support but not replace their annual scrutiny of the FACC.

3.0 Main Points

- 3.1 The FACC was established with 3 members, which is the minimum necessary to be effective. Unfortunately, I was obliged to leave the committee when appointed Chairman of the Directors to ensure the independence of the committee and satisfy the agreed ToR. The committee also lacked input from a qualified accountant.
- 3.2 The Directors have recently appointed Harry Nash and Roger Castle to the Committee. Both have a financial background.
- 3.3 The committee established an ambitious programme of work which it has endeavoured, with some success, to fulfil.
- 3.4 The committee reviewed the performance of the Chairman and the Board against Part 8 of the Academies Financial Handbook – Schedule of Requirements (“the musts”) and determine compliance with 94 of the 96 items. *[the Directors have subsequently address these two items]*
- 3.5 The committee drafted and recommended a new Risk Management which the Board adopted.
- 3.6 The committee also recognised the shortcomings of the pay and performance policies and that the review of HR services provision was overdue.
- 3.7 From discussions at the meeting I observed, it would appear that the committee has not yet reviewed the information submitted to the DfE and ESFA that affects funding.
- 3.8 The committee reported to the Board regularly.

4.0 Conclusions

- 4.1 The Committee set out a programme of work for the year and made reasonable progress in difficult circumstances.
- 4.2 If the observation in 3.7 above is correct, the matter needs to be address with some urgency.
- 4.3 The members of the committee should be supported in the development of an in depth understanding of the committee's role, duties and responsibilities as set out in the various regulatory documents, e.g. Part 3 of the Academies Financial Handbook.
- 4.4 Going forward, the committee must ensure it maintains a balanced approach to its scrutiny of practices, procedures, policies and performance by always acting as a collective.

5.0 Recommendation

- 5.1 The Board conclude that the committee has performed to an acceptable standard in difficult circumstances.