



Guilsborough Academy

Guilsborough Multi Academy Trust

GMAT
Guilsborough Multi Academy Trust

**Guilsborough Multi Academy Trust
Finance, Audit and Risk Committee
Terms of Reference
2025-2026**



1. Purpose

- 1.1. The Board of Trustees has established a Finance, Audit and Risk Committee to support it in its responsibilities for ensuring the adequacy of risk management, internal control and governance arrangements and that public funds are used efficiently and effectively, and any decision taken is in accordance with the Scheme of Delegation. The Finance, Audit and Risk Committee will review the comprehensiveness of assurances for the Board and review the reliability and integrity of those assurances.
- 1.2. The Finance, Audit and Risk Committee (FAR) is a subcommittee of Guilsborough Multi Academy Trust Board of Trustees and is authorised to act within the Committee Terms of Reference and Trust Scheme of Delegation or on projects specifically delegated by the Board of Trustees.

2. Membership

- 2.1. The FAR Committee will have a maximum of 7 and no fewer than 3 trustees as members. The Chair of the Board will not be the chair of this committee.
- 2.2. The Chair of the FAR Committee will be elected annually by the Board from any of its members, except the Chair.
- 2.3. Membership of the FAR Committee will be agreed by the Board of Trustees. At least one FAR Committee member shall have recent and relevant financial or risk management experience.
- 2.4. The Board of Trustees may also appoint or co-opt one or more independent external non-voting members. The FAR Committee members may recommend such appointments to the Board.
- 2.5. All appointments shall be made with due regard to the need to understand the Trust's objectives, structure and culture, and other legislative and accountability contexts within which it operates.
- 2.6. FAR Committee meetings will normally be attended by the Chief Financial Officer (non-voting) and the Accounting Officer.



- 2.7. FAR Committee members should collectively possess knowledge and skills in accounting, risk management, audit, financial governance and technical issues relevant to the business and strategic management of the Trust.
- 2.8. The term of service for FAR Committee members will be for a period of 4 years.
- 2.9. FAR Committee members will discontinue their membership of the Committee if they no longer serve as Trustees of the Board.
- 2.10. FAR Committee members should declare conflicts of interest not previously notified at the start of each meeting.
- 2.11. The FAR Committee will be supported by the services of the Governance Professional.

3. Quorum

- 3.1. A minimum of three Trustees who are members of the Committee.
- 3.2. If the meeting is not quorate, any matter decided by the Committee will only be a recommendation and must be ratified by the Board.
- 3.3. When matters are decided by the Committee through a vote, the Chair of the Committee shall have a casting vote in the event of an equal division of votes.

4. Meetings

- 4.1. A minimum of one meeting per term (3 terms a year)
- 4.2. Committee meetings will not be open to the public, but minutes shall be made available on request. Information relating to a named person or any other matter that the Committee considers confidential will not be made available for inspection.



- 4.3. In the absence of the Chair for the meeting the Committee shall chose an acting Chair for that meeting from among their number.
- 4.4. In the absence of the Governance Professional the Committee shall choose a clerk for that meeting from among their number(someone who is not a paid employee of the Trust)
- 4.5. Any decisions taken must be determined by a majority of votes of Committee members present and voting – but no vote can be taken unless a majority of those present are Trustees.
- 4.6. Members of the FAR Committee may ask any other officials of the Trust to attend to assist it with its discussions on any particular matter.
- 4.7. The FAR Committee may ask any or all of those who normally attend but who are not members of the committee to withdraw from the discussion of particular matters to facilitate open and frank discussion.
- 4.8. The Governance Professional (or clerk) will arrange for a record of the proceedings and decisions of each meeting to be made, including the names of those present and in attendance and any declarations of conflict of interest.
- 4.9. A register of attendance shall be kept for each Committee meeting and published annually.
- 4.10. Draft minutes of the meetings shall be circulated within 10 working days of the meeting taking place to the Chair of the FAR Committee and then to all members and attendees of the FAR Committee.
- 4.11. The minutes of the meeting shall be approved by the FAR Committee at its subsequent meeting.
- 4.12. The draft minutes of each meeting will be circulated with the agenda for the next ordinary meeting of the Board of Trustees and will be presented at the meeting by the Chair (or in their absence another member of the committee).



5. Notice of meetings

- 5.1. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of the items to be discussed and any relevant papers shall be sent to FAR Committee members and all other persons required to attend, no later than 5 working days before the date of the meeting.
- 5.2. In addition to its scheduled meetings, further meetings of the FAR Committee may be called by the Governance Professional at the request of the Board or of the Chair of the FAR Committee.

6. Duties and responsibilities

- 6.1. The FAR Committee's role is to support the Board and Accounting Officer, in monitoring the adequacy of the Trust's corporate governance and control systems through:
 - offering objective advice on issues concerning the risk, control and governance of the Trust and associated assurances provided by internal and external audit and other processes.
 - constructively challenging, where and when appropriate, executive decisions to ensure that these are the best possible and achieve value for money in the light of the available evidence.
- 6.2. The FAR Committee will review and advise the Board and the Accounting Officer on the following matters:
 - the annual report and Governance statement
 - the adequacy of the Trust's assurance processes and how governance arrangements support achievement of Trust strategy and objectives.
 - up-holding standards of propriety in the Trust's business
 - achievement of value for money
 - the plans for internal and external audit, including assessing priorities and promotion of understanding of the role of audit within the Trust
 - the results of internal and external audit work, including individual audits, progress, remedial actions and annual reports, and management letters



- the adequacy of management responses to issues raised by internal and external audit; and implementation of audit recommendations and timescales
- the processes for assessing, reporting, mitigating and owning business risks and their financial implications, including the capability of the Trust's internal reporting system to provide early warning of control failures and emerging risks
- the adequacy of the Trust's assurance arrangements relating to the management of Risk and Trust governance, including discussion with the external auditor about the nature and scope of forthcoming audits
- the adequacy of systems of quality assurance for the Trust's core activities
- the appointment of internal auditors
- the Trust's policies for whistleblowing, cyber and information security
- the performance of internal and external audit services
- the requirements for, and the process for, the appointment of external auditor

Internal Scrutiny

6.3. The Committee will review the internal scrutiny programmes and partners to ensure these arrangements are in line with the Academy Trust Handbook requirements and consider a programme of activities (over a multi-year period) that may include:

- Cyber Security
- Estates Management (including health and safety/safeguarding perspectives)
- Equality, Diversity and Inclusion
- Environmental Sustainability

The Trust's Annual Report and Accounts

6.4. The FAR Committee will review and advise the Board and the Accounting Officer in respect of the Trust's annual report and accounts on the following matters:

- that the accounting policies in place are appropriate and comply with relevant requirements, particularly the Charity Commission's Statement of Recommended Practice (SORP) and ESFA's Accounts Direction



- that there has been a robust process in preparing the accounts and annual report
- whether the accounts and annual report have been subjected to sufficient review by management and by the Accounting Officer before they are reviewed and approved by the Board
- that when new or novel accounting treatments arise, whether appropriate advice on accounting treatment has been taken
- whether there is an appropriate anti-fraud policy in place, and whether losses are suitably recorded
- whether suitable processes are in place to ensure accurate financial records are kept
- whether suitable processes are in place to ensure regularity and propriety is achieved
- whether issues raised by the External Auditors have been given appropriate attention
- review the external auditor's annual management letter

6.5. The Committee should satisfy itself that the annual financial statements represent fairly the financial position of the Trust. Before the Accounting Officer signs off the Letter of Representation, the Committee should review it and give particular attention to non-standard issues of representation

6.6. The Committee should satisfy itself that the monthly management accounts are prepared in a timely manner and shared with the Chair of the Trust, in accordance with the Academy Trust Handbook.

Estates Management

6.7. The Committee should reassure themselves of the effective management of the estate, through regular estates management reporting, including headline activities, allocation of spend on maintenance and reporting on audits and assurance (including safeguarding and health and safety assurances).

Reserves

6.8. The Committee should oversee the effective use and management of reserves through a clear reserves management plan set out in the Trust reserves policy and receive regular monitor reports and updates on the use of reserves.



Outdoor Visits and Educational Trips

- 6.9. The Committee should review the list of trips and visits being undertaken at least termly and consider if off-site activities are appropriate, relevant and have a specific and stated objective.
- 6.10. The Committee should satisfy itself that the management of outdoor visits and educational trips, particularly Category C visits, are in line with the Trust's policy and are planned in line with the advice and recommendations of the Education Visits Co-ordinator and the external educational visits advisors.

7. Support

- 7.1. The FAR Committee shall be entitled to :
- sufficient resources to carry out its duties, including access to the Trust's governance and business resource.
 - appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members
 - procure specialist ad-hoc advice at the expense of the Trust, subject to confirmation from the Board that funds are available.
 - seek any information it requires in order to perform its duties from any employee of the Trust.
 - call any employee to be questioned at a meeting of the FAR Committee as and when required.
 - publish in the Trust's annual report details of any issues that cannot be resolved between the Committee and the Board
- 7.2. External audit representatives will have free and confidential access to the Chair of the FAR Committee