Finance and Audit Committee
Terms of Reference

Membership

The Committee shall:

- Consist of at least three Trustees. In addition, an external co-opted member may be appointed to the committee.

- Have an appropriate mix of skills and experience to allow it to discharge its duties effectively. Collectively, members of the Committee should have recent, relevant experience in risk management, finance and audit and assurance.

Members of the Finance and Audit Committee shall be appointed annually by the Board of Trustees.

The Chair of the Finance and Audit Committee shall be appointed/reappointed annually by the Board of Trustees. The co-opted member is ineligible for appointment as Chair.

The Committee may elect a Vice-Chair annually from among its members. The Vice-Chair shall be eligible for re-election at the end of their term of office.

A co-opted external member may be appointed for a term not exceeding 4 years following which they will be eligible for re-appointment.

The Chair of the Board of Trustees may be a member of the committee but may not take the role of Chair of the committee.

The Clerk, the Chief Executive Officer and staff employed by the Trust should not be members of the Committee but will be in attendance.

Accountability and Purpose

The Finance and Audit Committee is responsible to the Board of Trustees and must not adopt an executive role.

The main purpose of the Committee is to:

- Advise the Board of Trustees on the Trust's assurance framework and the provision of the opinion in the annual accounts.
- To deal with such other financial or audit matters as may from time to time be referred to the Committee for consideration or approval.

- To have oversight of the Trust budget review process to ensure adherence to Financial Regulations and Procedures and Going Concern matters.

- To have oversight of Estate matters including Health and Safety across the Trust's school.

The Finance and Audit Committee has the authority to investigate any activity within its terms of reference.

The Finance and Audit Committee has the right of access to obtain all the information and explanations it considers necessary, from whatever source, to fulfil its remit.

The Committee will also review its own effectiveness on an annual basis.

Responsibilities of the Committee

Audit and Risk Management

- To consider and advise the Board of Trustees on the adequacy and effectiveness of the Trust's audit arrangements, framework of governance, risk management and control and processes for the effective and efficient use of resources, the solvency of the Trust and the safeguarding of its assets.

- To advise the Board of Trustees on the appointment, reappointment, dismissal and remuneration of the external auditors and internal auditors and establish that all such assurance providers adhere to relevant professional standards.

- To consider and advise the Board of Trustees on the internal audit strategy and annual audit plans, the outcome of work should inform the governance statement that accompanies the Trust's annual accounts and, so far as possible, provide assurance to external auditors.

- To advise the Board of Trustees on internal audit assignment reports, annual scrutiny report required to accompany the Annual Report and Financial Statement to the SFSO and on control issues included in reports of the external auditors and management's response to them.

- To monitor, within an agreed timescale, the implementation of agreed audit recommendations.

- To consider and advise the Board of Trustees on relevant reports by the Funding Agency and where appropriate, management's response to these.

- To consider and advise the Board of Trustees on compliance and progress with the Terms and Conditions of loans from the SFSO, DfE and other bodies.

- To scrutinise procurement contracts, appropriate for Board approval, in line with SGSAT Financial Regulations and make recommendations for approval by SGSAT Board.

- Receive and review of any post tender negotiations as outlined in the Financial Regulations.

- To establish, in conjunction with management, relevant annual performance measures and indicators and to monitor the effectiveness of the external and internal auditors through these measures and indicators and decide, based on this review, whether a competition for price and quality of the audit service is appropriate.

- To produce an annual report to the Board of Trustees and Accounting Officer that outlines the activities of the Committee as they relate to the year under review and to the terms of reference of the Committee. The report should also include the Committee's opinion on the adequacy and effectiveness of the Trust's systems and arrangements for risk management, control and governance processes and any significant matters arising from the work of the auditors.

- To oversee the Trust's policies on fraud and irregularity and whistleblowing, and ensure the proper, proportionate and independent investigation of all allegations and instances of fraud, theft and/or irregularity; that investigation outcomes are reported to the Finance and Audit Committee; that the external auditors (and internal auditors where appointed) have been informed, and that appropriate follow-up action has been planned/actioned, and that all suspected cases of fraud, theft and/or irregularity are notified to the Education Funding Agency in accordance with the Academy Trust Handbook.

- To inform the Board of Trustees of any additional services provided by the external and internal auditors and explain how independence and objectivity were safeguarded.

- To recommend the Trust's annual report and financial statements and external auditor's management letter to the Board of Trustees for approval.

Finance

- To consider and advise the Board of Trustees on all aspects of the Trust's finances, financial policies, financial regulations, controls and strategy in accordance with the Articles of Association, Academy Trust Handbook and Funding Agreement.

- To review the Financial Regulations on a bi-annual basis, or sooner if required due to structure changes in the Trust and its constituent schools.

- To consider and advise the Board of Trustees on the Supplemental Funding Agreements with each Academy, as required.

- To consider any letters received from the SFSO or Department for Education (DfE) to the Chair of Trustees, Accounting Officer or Chief Executive Officer and advise the Board accordingly.

- To consider and advise the Board of Trustees on the annual estimates of income and expenditure, and the budgets proposed by each Academy.

- To review financial arrangements in respect of GAG Pooling, to be advised of any progressions of Appeal made to Executive Leadership and to be involved with any formal appeal requirements, in line with the GAG Pooling Appeals Policy.

- To be advised of and approve any waivers of the SGSAT Approved Financial Regulations, in line with the requirements and thresholds as outlined within the Financial Regulations document.

- To review, school and Trust budgets in year, for any schools joining the Trust to recommend for approval by the Board for submission to the SFSO.

- To advise the Board of any requirements as defined by the Academy Trust Handbook in respect of Related Party Transactions, including Value for Money considerations, Tender requirements and consideration of any Statement of Assurance or Regularity.

- To consider any contract for Services, review of costs for services against budget forecast and Annual review of Service Level Agreements in place between SGS Academy Trust and SGS College for approval by SGSAT Board.

- To receive and consider information on financial performance at least three times a year, to ensure ongoing viability.

- To consider financial proposals in relation to annual review of SGSAT Pay Scales and any funds for non-consolidated performance related payments, with consideration of Trust affordability for approval by SGSAT Board.

- To determine on behalf of the Board of Trustees appropriate financial and procurement policies to be adopted by each Academy and by the Academy Trust.

- To consider and advise the Board of Trustees generally on investments, borrowings and taxation issues, and to seek appropriate advice from external sources as necessary.

- To consider and advise the Board of Trustees on the performance review of Bankers and Insurers at point of consideration of contract changes or changes in Trust circumstances, as appropriate.

Estates and Health and Safety

- To receive an annual Health and Safety audit report and monitor arising actions.

- To receive regular reports on accident statistics, near misses, incidents of violence or aggression.

- To ensure the Trust's premises are suitable for effective learning and provide a safe environment for staff and pupils alike.

- To oversee Health and Safety arrangements across the Trust.
- Oversee site matters relating to the construction, improvement, and major repair, together with associated insurance. (Cleaning, catering and upkeep of the academy buildings and grounds will usually be delegated to the LGB though the Trust will keep an oversight of such delegation).
- To monitor use of the whole estate and ensure all sites are fit for purpose for use during the school day and outside of the school day by the school community, local community and hirers.
- To ensure the Trust complies with lettings regulations with regards to use of the schools' sites by community and other groups and revenue is managed appropriately.
- To ensure that inspections of the trust premises and equipment take place (annually and at appropriate intervals), and a report is received identifying any issues.
- To monitor the health and safety training that staff and trustees undertake.
- To monitor and ensure all accessibility plans are in place and adhered in all sites across the trust.
- To review, adopt and monitor all policies delegated by the board.

Meetings and Quorum

The Committee shall meet at least three times each year to consider matters arising from its terms of reference, or matters placed on the agenda at the request of the Board of Trustees or of the Chair or any member of the Committee.

The Chief Executive Officer/Accounting Officer and Chief Financial Officer shall normally be in attendance.

Senior Management may be invited to attend Finance and Audit Committee meetings, particularly where their area of responsibility is under discussion.

The external and internal auditors shall be invited to attend meetings as appropriate and be given the opportunity to raise any issues they wish to discuss in the absence of Management.

The external or internal auditors may request a meeting of the Committee, and meet with the committee without management being present, if they consider necessary.

Any Trustee of the Academy Trust may attend a meeting of its Board Committees, following notification to the Chair & Clerk of the Committee.

The quorum for meetings shall be any three members, at least two of which should be a Trustee. The Chair of the Committee will have any casting vote in decision making of the Committee.

All meetings shall be conducted to an agenda approved by the Chair.

The agenda of each meeting shall be prepared by the Clerk to the Committee in consultation with the Chair of the Committee and circulated together with all relevant agenda papers to all members of the Committee normally at least seven days before each meeting.

Where matters of a sensitive or confidential nature are to be discussed at a meeting the Clerk to the Committee, in consultation with the Chair, shall reserve these matters to a confidential agenda. Details and papers of such agenda shall not be available for public review unless the circumstances which caused them to be considered sensitive or confidential no longer pertain.

Reporting Procedures

- The Governance Professional shall act as Clerk to the Committee.

- The minutes of each meeting of the Finance and Audit Committee shall be presented to the next ordinary meeting of the Board.

Date of latest review:	10 November 2025
Date of this version:	05 February 2026
Approved by:	Full Trust Board
Next review due by:	05 August 2026