



Audit Committee Terms of Reference

Membership and Quorum

- at least 4 directors shall be members of the Audit Committee
- normally no senior employees of the Trust will serve on the committee
- the members of the Audit Committee will not sit on the Finance Committee
- at least one of the members of the Audit Committee will have appropriate financial skills

Membership shall be agreed on an annual basis at the first meeting of Board of Directors normally in the autumn term.

The Chair of the Audit Committee will be elected by the Audit Committee, normally at the first meeting in the academy year. No Director employed by The Trust will act as chair to the Audit Committee. In the absence of the Chair, the Audit Committee will elect a temporary replacement from among the members of the Audit Committee who are present at the meeting.

The Clerk of the Audit Committee is appointed by the Board of Directors and ratified by the Audit Committee.

The quorum is three members of the Audit Committee (or one third of the total number of members of the Audit Committee with full voting rights, whichever is the greater).

Role

To advise Board of Directors on the adequacy and effectiveness of the Trust's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money) and that the systems are rigorous and constantly reviewed.

Internal Audit/Responsible Officer

- to advise the Board of Directors on the appointment, reappointment, dismissal and remuneration of the internal audit/responsible officer service
- to agree and challenge the work programme of the internal audit/responsible officer service
- to consider the reports of the internal audit/responsible officer service and, when appropriate, advise Board of Directors of material controls issues
- to monitor the implementation of agreed recommendations relating to internal audit/responsible officer reports

External Audit and Financial Statements

- to advise Board of Directors on the appointment, reappointment, dismissal and remuneration of the external auditor
- to consider the reports of the external auditors and internal audit/responsible officer service and, when appropriate, advise Board of Directors, of material controls issues
- to monitor the implementation of agreed recommendations relating to the external

- auditors management letter
- to establish, in conjunction with the Chief Executive Officer, relevant performance measures and indicators, and to monitor the effectiveness of the external auditor
 - to review the annual financial statements in the presence of the external auditor, including the auditor's formal opinion, the governance statement, including consideration of the internal control systems effectiveness, risk management statements and any relevant issue raised in the external audit management letter, including regularity audits
 - to recommend the annual financial statements to Board of Directors

Risk Management and Internal Control

- to review the adequacy of The Trust Risk Management Policy and procedures and to regularly review the Risk Register
- to monitor the implementation of Risk Management Action Plans

Fraud Prevention and Detection

- to review The Trust's arrangements in respect of whistleblowing and anti-fraud and corruption and to make recommendations as necessary
- to ensure that all allegations of fraud and irregularity are properly followed up and control weaknesses addressed, including being notified of all cases

Overall

- to receive all internal and external reports including the annual report for The Trust and Accounting Officer, which should include the Committee's advice on the effectiveness of The Trust risk management, control and governance processes, and any significant matters arising from the work of the Internal Audit/Responsible Officer Service and the external auditor;

Authority

The Audit Committee is an advisory body with no executive powers. However it is authorised by the Board of Directors to investigate any activity within the Audit Committee, Terms of Reference. It is authorised to seek any information it requires from any Trust member, Committee of The Trust or employee of the Trust, plus relevant information from sub-contractors and other third parties; all Trust members and employees of The Trust are directed to co-operate with any request made by the Committee.

Frequency of Meetings

The Audit Committee shall normally meet four times per academic year in line with The Trust annual cycle of business, and to align with the requirements for filing with the external authorities. Normally this will be twice in the autumn term and once in the spring and summer term.

Approval

The Terms of Reference may only be amended by a resolution of the Trust.